
State:	Vermont	Filing Company:	BCBSVT
TOI/Sub-TOI:	H16G Group Health - Major Medical/H16G.001C Any Size Group - Other		
Product Name:	BCBSVT 2014 Vermont Exchange Products Rate Filing		
Project Name/Number:	/		

Filing at a Glance

Company:	BCBSVT
Product Name:	BCBSVT 2014 Vermont Exchange Products Rate Filing
State:	Vermont
TOI:	H16G Group Health - Major Medical
Sub-TOI:	H16G.001C Any Size Group - Other
Filing Type:	Rate
Date Submitted:	03/25/2013
SERFF Tr Num:	BCVT-128957017
SERFF Status:	Assigned
State Tr Num:	65563
State Status:	Pending Department Review
Co Tr Num:	
Implementation	On Approval
Date Requested:	
Author(s):	Vince Mace, Pam Young, Seth Abbene, Jude Daye, Martine Brisson-Lemieux
Reviewer(s):	Sean Londergan (primary)
Disposition Date:	
Disposition Status:	
Implementation Date:	
State Filing Description:	

State: Vermont **Filing Company:** BCBSVT
TOI/Sub-TOI: H16G Group Health - Major Medical/H16G.001C Any Size Group - Other
Product Name: BCBSVT 2014 Vermont Exchange Products Rate Filing
Project Name/Number: /

General Information

Project Name: Status of Filing in Domicile:
Project Number: Date Approved in Domicile:
Requested Filing Mode: Review & Approval Domicile Status Comments:
Explanation for Combination/Other: Market Type: Group
Submission Type: New Submission Group Market Size: Small
Group Market Type: Employer, Other Explanation for Other Group Market Type:
Overall Rate Impact: Filing Status Changed: 03/25/2013
State Status Changed: 03/26/2013
Deemer Date: Created By: Jude Daye
Submitted By: Pam Young Corresponding Filing Tracking Number:
PPACA: Non-Grandfathered Immed Mkt Reforms
PPACA Notes: null
Exchange Intentions: To be sold on the Vermont Health Connector effective 01/01/2014.

Filing Description:
March 25, 2012

Phil Keller
Director of Insurance Rates and Forms
Vermont Department of Financial Regulation
89 Main Street
Montpelier, VT 05620-3101

SUBJECT: Blue Cross and Blue Shield of Vermont - NAIC # 53295
2014 Vermont Exchange Products Rate Filing

Dear Mr. Keller:

In connection with our response to the Selection of Qualified Health Plans Request for Proposals, Requisition Number: 03410-113-13, enclosed for your review and approval is the 2014 Vermont Exchange Products Rate Filing for Blue Cross and Blue Shield of Vermont (BCBSVT). The purpose of this rate filing is to provide the rates and a description of the rate development for the products that Blue Cross and Blue Shield of Vermont (BCBSVT) is proposing to offer on Vermont Health Connect, the Vermont Health Benefits Exchange effective January 1, 2014.

This rate filing applies to new products that will be offered in the merged individual and small group market. These new products have been previously submitted to DFR and DVHA and are identified as policy forms:

- VFN #: 64046: BCBSVT Standard Plans (280.318)
- VFN #: 64044: BCBSVT Non-Standard Co-payment Plans (280.319)
- VFN #: 64045: BCBSVT Non-Standard CDHP Plans (280.320)

To the best of our knowledge and current understanding, this filing complies with the most current federal regulations (final or proposed, as applicable), and related guidance from the Department of Financial Regulation issued through March 20, 2013. Additionally, this filing has been prepared in accordance with the Actuarial Memorandum Requirements for Rate Submission

State: Vermont **Filing Company:** BCBSVT
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Effective 1/1/2014 and additional actuarial guidance released by the Department on March 7, 2013 and subsequently through March 20. To the extent the relevant rules or guidance on the rules are updated or changed that could impact our calculation of rates, amendments to the rate filing may be required. Please note that it is our intention to comply with all applicable laws and guidance. However, we appreciate the Department's understanding that the regulatory framework continues to evolve rapidly and as we work to meet new and changing guidance, required updates are a possibility.

Please let me know if we can answer any questions or provide further information during your review.

Sincerely,

Ruth Greene

cc: Tammy Tomczyk / Oliver Wyman – Milwaukee
Sean Londergan / DFR
Kevin Goddard / BCBSVT
Vince Mace / BCBSVT
Donna Lee / BCBSVT

Company and Contact

Filing Contact Information

Jude Daye, Executive Assistant dayej@bcbsvt.com
445 Industrial Lane 802-371-3244 [Phone]
Montpelier, VT 05601

Filing Company Information

BCBSVT	CoCode: 53295	State of Domicile: Vermont
PO BOX 186	Group Code:	Company Type: Hospital
Montpelier, VT 05601	Group Name:	Service Corp
(802) 371-3450 ext. [Phone]	FEIN Number: 03-0277307	State ID Number:

Filing Fees

Fee Required?	Yes
Fee Amount:	\$50.00
Retaliatory?	No
Fee Explanation:	
Per Company:	Yes

Company	Amount	Date Processed	Transaction #
BCBSVT	\$50.00	03/25/2013	68773954

SERFF Tracking #:	BCVT-128957017	State Tracking #:	65563	Company Tracking #:	
State:	Vermont	Filing Company:	BCBSVT		
TOI/Sub-TOI:	H16G Group Health - Major Medical/H16G.001C Any Size Group - Other				
Product Name:	BCBSVT 2014 Vermont Exchange Products Rate Filing				
Project Name/Number:	/				

Rate Information

Rate data applies to filing.

Filing Method: Experience Rated

Rate Change Type: Neutral

Overall Percentage of Last Rate Revision: %

Effective Date of Last Rate Revision:

Filing Method of Last Filing:

Company Rate Information

Company Name:	Company Rate Change:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
BCBSVT	New Product	%	%				%	%

State: Vermont **Filing Company:** BCBSVT
TOI/Sub-TOI: H16G Group Health - Major Medical/H16G.001C Any Size Group - Other
Product Name: BCBSVT 2014 Vermont Exchange Products Rate Filing
Project Name/Number: /

Rate Review Detail

COMPANY:

Company Name: BCBSVT
HHS Issuer Id: 13627
Product Names: 13627VT032, EPO (Standard Small Group Plans); 13627VT033, EPO-CDHP (Standard Small Group Plans); 13627VT034, EPO (Standard Individual Plans); 13627VT035, EPO-CDHP (Standard Individual Plans); 13627VT036, EPO-Accountable Blue (Non-Standard Small Group Plans); 13627VT037, EPO-CDHP-Accountable Blue (Non-Standard Small Group Plans); 13627VT038, EPO-Accountable Blue (Non-Standard Individual Plans); and 13627VT039, EPO-CDHP-Accountable Blue (Non-Standard Individual Plans)
Trend Factors: N/A

FORMS:

New Policy Forms: 280.318: BCBSVT Standard Plans; 280.319: BCBSVT Non-Standard Co-payment Plans; and 280.320: BCBSVT Non Standard CDHP Plans
Affected Forms: N/A
Other Affected Forms: N/A

REQUESTED RATE CHANGE INFORMATION:

Change Period: Annual
Member Months: 758,664
Benefit Change:
Percent Change Requested: Min: Max: Avg:

PRIOR RATE:

Total Earned Premium:
Total Incurred Claims:
Annual \$: Min: Max: Avg:

REQUESTED RATE:

Projected Earned Premium: 291,800,000.00
Projected Incurred Claims: 252,043,000.00
Annual \$: Min: 277.52 Max: 496.24 Avg: 351.41

SERFF Tracking #:	BCVT-128957017	State Tracking #:	65563	Company Tracking #:	
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Rate/Rule Schedule

Item No.	Schedule Item Status	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments
1		280.318, 280.319, 280.320		New		

SERFF Tracking #:	BCVT-128957017	State Tracking #:	65563	Company Tracking #:	
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Supporting Document Schedules

Satisfied - Item:	Actuarial Memorandum
Comments:	
Attachment(s):	Actuarial Memorandum.pdf
Item Status:	
Status Date:	

Satisfied - Item:	Filing Compliance Certification
Comments:	
Attachment(s):	Rate Filing Certification.pdf
Item Status:	
Status Date:	

Satisfied - Item:	Health Administrative Forms
Comments:	
Attachment(s):	Health Filing Form F106 BCBSVT 2014 Exchange Products Rate Filing.pdf
Item Status:	
Status Date:	

Bypassed - Item:	Health Filing Data
Bypass Reason:	Our variability data is filed with our outline of coverage filings.
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	Third Party Filing Authorization
Bypass Reason:	BCBSVT does not use a Third Party to submit filings.
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	Rate Summary Worksheet
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State:	Vermont	Filing Company:	BCBSVT
TOI/Sub-TOI:	H16G Group Health - Major Medical/H16G.001C Any Size Group - Other		
Product Name:	BCBSVT 2014 Vermont Exchange Products Rate Filing		
Project Name/Number:	/		

Bypass Reason:	Not required.
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	Consumer Disclosure Form
Bypass Reason:	Not required.
Attachment(s):	
Item Status:	
Status Date:	

Satisfied - Item:	VT Rate Review Checklist
Comments:	
Attachment(s):	VT Rate Review Checklist.pdf
Item Status:	
Status Date:	

Satisfied - Item:	Exhibits
Comments:	
Attachment(s):	Exhibits I-XIII.pdf
Item Status:	
Status Date:	

Satisfied - Item:	Attachments A-D
Comments:	
Attachment(s):	Attachment A.pdf Attachment B - Pages 1-15.pdf Attachment B - Pages 16-22.pdf Attachment B - Pages 23-28.pdf Attachment D.pdf Attachment B - Pages 29-37.pdf Attachment C.pdf
Item Status:	

SERFF Tracking #:	BCVT-128957017	State Tracking #:	65563	Company Tracking #:	
State:	Vermont	Filing Company:	BCBSVT		
TOI/Sub-TOI:	H16G Group Health - Major Medical/H16G.001C Any Size Group - Other				
Product Name:	BCBSVT 2014 Vermont Exchange Products Rate Filing				
Project Name/Number:	/				

Status Date:	
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2014 VERMONT EXCHANGE PRODUCTS RATE FILING
ACTUARIAL MEMORANDUM**

1. General Information

a. Company Information:

- Company Legal Name: Blue Cross and Blue Shield of Vermont
- HIOS issuer ID: 13627
- NAIC Number: 53295

b. Company Contact Information:

- Primary Contact Name: Vincent Mace
- Primary Contact Telephone Number: 802-371-3626
- Primary Contact Address: P.O. Box 186, Montpelier, VT 05601-0186
- Primary Contact Email Address: macev@bcbsvt.com
- Toll Free Number 800-247-2583

c. Scope and Purpose of the Filing: The purpose of this rate filing is to provide the rates and a description of the rate development for the products that Blue Cross and Blue Shield of Vermont (BCBSVT) is proposing to be offered in the Vermont Exchange, effective January 1, 2014. This filing complies with the following parts of the Code of Federal Regulations (CFR), as updated in the **Benefit Notice Final Rule 03-01-13.pdf** (released by the Department of Health and Human Services on that date):

- 45 CFR Part 147, Section 102
- 45 CFR Part 154, Sections 200, 215, 301
- 45 CFR Part 156, Sections 80, 115, 135
- 45 CFR Part 158, Sections 140, 150, 151, 161, 162, 230

d. Market: This filing covers products that will be offered in the combined individual and small group market.

e. Policy Forms:

- SERFF Form Filing numbers:
 - 280.318: BCBSVT Standard Plans
 - 280.319: BCBSVT Non-Standard Co-payment Plans
 - 280.320: BCBSVT Non-Standard CDHP Plans
- HIOS Product ID Codes and Product Names:
 - 13627VT032, EPO (Standard Small Group Plans)

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- 13627VT033, EPO-CDHP (Standard Small Group Plans)
- 13627VT034, EPO (Standard Individual Plans)
- 13627VT035, EPO-CDHP (Standard Individual Plans)
- 13627VT036, EPO-Accountable Blue (Non-Standard Small Group Plans)
- 13627VT037, EPO-CDHP-Accountable Blue (Non-Standard Small Group Plans)
- 13627VT038, EPO-Accountable Blue (Non-Standard Individual Plans)
- 13627VT039, EPO-CDHP-Accountable Blue (Non-Standard Individual Plans)

f. Brief Description of the Benefits:

BCBSVT Standard Plans: BCBSVT is providing rates for the Standard Plans with benefits as approved by the Green Mountain Care Board on March 13, 2013, which are outlined in **Exhibit IA - (State of Vermont Standard Plan Designs)**. The plans require selection of a PCP to coordinate care and offer members access to a nationwide network of providers. These plans include coverage for all Essential Health Benefits (EHBs).

BCBSVT Non-Standard Plans: BCBSVT is providing rates for two health and wellness-based non-standard plan types that we have named **Blue for You** and **CDHP Blue for You**. Please see **Exhibit IB - (BCBSVT Non-Standard Plan Designs)**. Both BCBSVT non-standard plan types were created with the goal of keeping the plan designs simple and easy for consumers to understand when choosing a plan and when accessing services. These plan types have as their basis shared health and wellness goals among the health plan, members, and providers, with outcomes measured to ensure quality of care and assist the member in achieving their optimal health status. The plans all require selection of a PCP to coordinate care and offer members access to a nationwide network of providers.

Both plan types include coverage for all EHBs and no substitutions were made. Further discussion of BCBSVT's Non-Standard Plans follows:

Blue for You: In Blue for You plans, members pay a copayment for most services after satisfying a plan deductible. The plans are simple in design, allowing members to easily predict health care expenses, and protecting them with an out-of-pocket maximum expenditure. Plan design features include:

- Preventive services, such as annual physical exams, certain health screenings, and immunizations are covered at no cost
- Three primary care or mental health provider visits, including any of a specified set of lab services performed during those visits, for an individual or a pool of nine visits for a family at no cost
- A deductible for all other services

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- Simple co-payments for services after the deductible up to the out of pocket maximum(s)
- Integrated pediatric dental essential health benefits
- Wellness programs and incentives up to \$300 per year for each adult member for completing a health assessment, having a physical exam, setting a personal health goal and having a routine eye or dental exam

CDHP Blue for You: These consumer-directed health plans (CDHP's) provide a level of benefits and price point that may be attractive to some consumers, particularly those who will purchase individually and do not qualify for subsidies, or for those consumers who already have a CDHP health savings account and want to continue to leverage that savings opportunity. The plans have an up-front deductible for all services except preventive care and wellness drugs, after which there is coinsurance cost-sharing with an out-of-pocket maximum. Plan design features include:

- Preventive services, such as wellness exams, certain health screenings, and immunizations are covered at no cost
- Certain wellness drugs are covered with no deductible
- A deductible for all other services
- Coinsurance for services after the deductible up to the out of pocket maximum
- Integrated pediatric dental essential health benefits
- Wellness programs and incentives up to \$300 per year for each adult member for completing a health assessment, having a physical exam, setting a personal health goal and having a routine eye or dental exam
- Integrated health savings account (HSA) services.

g. Marketing Method:

BCBSVT intends to implement a multi-channel marketing plan to inform consumers of the availability and details of its exchange products. BCBSVT will establish a presence in the community, in the media and in direct communication with both current and prospective members, providing a consistent message and simple to understand information about the exchange, products, and enrolment opportunities. To accomplish this, BCBSVT will use different types of media and communication so that each Vermonter has multiple touch points that fit with the way they like to receive information.

The BCBSVT marketing plan is being refined at this time, but the company intends to utilize the following modes of communication:

- Broadcast, including TV and radio

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- Mobile devices, such as cell phone and tablet applications
- Videos and webinars
- Print, such as local newspapers and magazines
- Direct mail campaigns
- Social media sites and blogs
- Telephone for incoming calls from prospective members
- Information on our website and the exchange website
- Community outreach, such as informational meetings and booths at community events

2. Proposed Rates

- a. **History of Rate Adjustments:** Not applicable.
- b. **Effective Date and Implementation of Proposed Rates:** The effective date of the proposed rates is January 1, 2014.
- c. **Proposed Percentage Rate Adjustment:** Not applicable.
- d. **Description of How Proposed Rates were Determined:** See Exhibit XI and sections 3-12, 15-17 below.
- e. **Reason for Rate Adjustment:** Not applicable.
- f. **Average Annual Premium:** We have no reasonable basis for distributing members by plan. Assuming all expected members are in the 230.319 Silver plan produces a projected premium of \$291.8 million.
- g. **Number of Policy Holders and Covered Lives:** We project 63,222¹ covered lives. Due to the uncertainties associated with the new exchange environment we did not attempt to project the number of policyholders.

¹ Estimate provided by Neela Associates.

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3. Experience Period Premium and Claims

Note: because the 2014 Vermont Exchange products are new, the “experience period” used to develop the rates is based on the membership and experience of BCBSVT and Individual and Small Group and TVHP Small Group products.

- a. **Dates of Service for the Experience Period Used to Develop Rates:** January 1, 2012 through December 31, 2012
- b. **Date Through Which Claims Were Paid:** February 28, 2013.
- c. **Estimate of Allowed Claims During the Experience Period Used to Develop Rates:**

We estimated the projected allowed claims PMPM for the following categories for which we have BCBSVT and TVHP membership and claims experience data:

Category

Catamount Direct
Catamount Subsidized
Nongroup, Safety Net
BCBSVT Small Group CDHP
BCBSVT Small Group non-CDHP
BCBSVT Small Group POS
TVHP Small Group CDHP-PHO
TVHP Small Group non CDHP-PHO
TVHP Small Group CDHP non-PHO
TVHP Small Group non CDHP non-PHO

See Exhibit III.

- d. **Method Used for Determining 2012 Total Allowed Claims:**

The allowed claims for all of the membership categories come directly from claim records in BCBSVT’s data warehouse, combining paid claims with member cost sharing.

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- e. **Incurred But Not Paid Claims:** Claims were completed using the appropriate BCBSVT and TVHP February, 2013 reserve models, developed in early March, 2013, using the following methodology:
1. For each line of business, grouped by similar claim-paying practices, a lag triangle is created (e.g. BCBSVT Comprehensive, BCBSVT Point of Service, TVHP, DRUG, HSA DRUG). A four-year history of claims and membership is used.
 2. A study is performed to identify outliers, which are removed from the lag triangles.
 3. Seasonal and Working Day adjustments are made.
 4. Monthly completion factors are developed for each line of business within the grouping. A 6-month chain ladder method was used.

4. Adjustments to Allowed Claims During the Experience Period

1. For each of the above categories, we looked at the medical and drug allowed claims for the January 2012 to December 2012 experience period, with claims runout through February, 2013. The allowed claims PMPM's were then completed using the appropriate BCBSVT and TVHP reserve models' completion factors.
2. For the completed allowed drug PMPM's of each of the membership categories, one-half of the annual assumed trend of 6.5%² was applied, to produce the completed, trended, allowed drug claims as of 12/31/2012.
3. The completed allowed medical claims were adjusted to bring the cost of 2012 Inpatient, Outpatient, and Professional services to the reimbursement levels for the EPO network in place as of 12/31/2012. This step is necessary due to the fact that different networks and reimbursement levels applied to different products and due to the changes in provider and facility reimbursement levels implemented during the last quarter of 2012
4. The completed allowed cost-adjusted medical PMPM's were then adjusted for one-half year of the utilization component of the medical trends according to the utilization trend data contained within the following filings:

² See section 5.b below.

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- Q3-Q4 2013 BCBSVT Trend Filing (SERFF BCVT-128904800 VFN 64961)
- Q3-Q4 2013 TVHP Trend Filing (SERFF BCVT-128904541 VFN 64962)
- Q3 2013 Catamount Rate Filing (SERFF BCVT-128916274 VFN 65072)

This resulted in completed, trended, allowed medical claims as of 12/31/2012.

5. Please see Exhibit II for the details of the development of the total completed, trended, allowed claims PMPM as of 12/31/2012 of \$464.81.
6. We assumed that the currently insured population was distributed by category consistent with our current business. The PMPM's projected above for each category were then applied to the projected membership in the exchange expected to come from these categories. For members projected to come from VHAP and for those projected to come from currently uninsured but expected to be eligible for subsidies, the projected PMPM for subsidized Catamount was used. For those currently uninsured but not eligible for subsidy the projected PMPM for direct pay Catamount was used.

See Exhibit III for the adjusted experience period claims for the anticipated BCBSVT Exchange population.

Given the size of the experience period business, we made no adjustment for high claims in the experience period allowed claims. Similarly, there was no large claim pooling applied to experience period allowed claims underlying the rate development.

5. Projection Factors

- a. **Changes in Benefits:** The following PMPM allowed charges were added to the PMPM allowed charges in the projection period:
 - a) Pediatric Vision: \$.59
 - b) Pediatric Dental: \$6.53
 - c) Autism Expansion: \$2.72

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Pediatric Benefits:

Projected members <22 years of age	12101
Total Projected Members	63222
ratio	0.191
Estimated monthly vision charges for members < 22 ³	\$3.10
Estimated vision claims PMPM	\$0.59
Estimated monthly dental charges for members < 22 ⁴	\$34.11
Estimated monthly dental charges PMPM	\$6.53

Autism Expansion:

DFR has determined that EHB must include coverage for the diagnosis and treatment of early developmental disorders (including autism spectral disorders), for children beginning at birth until 21 years of age rather than 6 years of age.

To estimate the additional cost of this expansion, we assumed:

- A prevalence of autism assumption of 1/88 (according to a CDC autism study summary, published March 31, 2012).
- A table of Updated Annual Costs of autism by age, based on the “Annual Mandated Health Insurance Services Evaluation”, prepared by Mercer and Oliver Wyman for the Maryland Health Care Commission, published on December 31, 2008.
- The distribution of expected BCBSVT exchange membership in the age range of birth to 21 used to calculate the estimated additional cost of the expanded mandate was projected from the current distribution in the categories (surrogate categories) described above.

³ Estimate provided by VSP

⁴ Estimate provided by Milliman

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b. Trend Factors (cost/utilization):

Medical Trend to 12/31/2012: The medical utilization trend projection factors are taken from the trend filings listed above. The utilization trend assumptions are based on 12-month regressions of the rolling 12-month data for BCBSVT (which excludes Catamount data), Catamount and TVHP, and are as follows:

- BCBSVT: 1.6%
- Catamount: 4.7%
- TVHP: .7%

One-half of these utilization trends were applied to the 2012 claims, to bring the claims to 12/31/2012.

Medical Trend 1/1/2013 to 7/1/2014 (midpoint of the rating period): For the overall medical trend, the Green Mountain Care Board has committed to control hospital costs in Vermont to a target of 3.75%. This and other efforts to reduce overall healthcare costs in Vermont should result in a dampened medical trend going forward. As a result, BCBSVT management has decided that we should price our plans to reflect the expectation that medical trends will improve from current levels. Thus, we applied 18 months of the annual medical trend of 3.75% to produce trended allowed claims as of 7/1/2014.

Pharmacy Trend: The allowed (uncapped) pharmacy trends from the most recent BCBSVT and TVHP trends filings are 7.9% and 9.9%, respectively. However, due to the company's intention to implement and enforce more stringent utilization management policies (especially with regard to specialty drugs), BCBSVT management believes that a 6.5% annual pharmacy trend is appropriate. One-half of this trend was applied to bring 2012 pharmacy claims to 12/31/2012; 18 months of this trend was then applied to bring the pharmacy claims from 1/1/2013 to 7/1/2014.

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Actual vs. Expected Trend for the past 36 months:

A comparison of the actual observed allowed trends versus the filed and approved allowed trends is displayed in the following table. The observed trend is defined as:

= {the ratio of the rolling 12-month allowed PMPM's for the endpoints of the 18-month period starting 6 months before the stated quarter and ending just before the start of a year from that quarter} ^ (18/12).

	Medical			Pharmacy		
	Filed	Observed	Delta	Filed	Observed	Delta
Q1 2009	9.5%	8.4%	1.1%	9.7%	2.2%	7.5%
Q2 2009	9.2%	6.1%	3.1%	7.7%	2.9%	4.8%
Q3 2009	8.6%	4.4%	4.2%	6.9%	2.8%	4.1%
Q4 2009	9.8%	3.4%	6.4%	4.6%	2.8%	1.8%
Q1 2010	11.0%	3.7%	7.3%	4.4%	2.4%	2.0%
Q2 2010	11.7%	4.4%	7.3%	4.4%	2.4%	2.0%
Q3 2010	11.1%	4.2%	6.9%	6.7%	2.8%	3.9%
Q4 2010	9.2%	4.1%	5.1%	7.8%	3.0%	4.8%
Q1 2011	8.0%	4.1%	3.9%	7.2%	3.3%	3.9%
Q2 2011	6.9%	4.1%	2.8%	7.2%	4.1%	3.1%
Q3 2011	5.8%	3.6%	2.2%	7.3%	4.6%	2.7%
Q4 2011	5.1%	3.6%	1.5%	7.7%	5.4%	2.3%

c. Projected Changes in the Demographics of the Population Insured: No changes to the demographics of the populations identified in 3(c) above were projected. The demographics of the populations for which we have no experience data were assumed to be the same as the demographics of the categories used as surrogates for them.

d. Projected Changes in the Morbidity of the Population Insured: No changes to the morbidity of the populations identified in 3(c) above were projected. The morbidities of the populations for which we have no experience data were assumed to be the same as the morbidities of the categories used as surrogates for them.

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e. **Other Projected Changes:** Projected claims were adjusted for the impact of benefits determined to be EHB by the DFR but not included in the underlying experience:

- Autism coverage to age 21- estimated at \$2.72 PMPM
- Transgender surgery - the cost of this was assumed to be de minimis

6. Credibility Manual Rate Development

No manual rates were used.

7. Credibility

Due to the size of the block in the experience period no credibility adjustments were used.

8. Covered Services

a. **EHBs:** The only EHBs that are new benefits are the Pediatric Dental and Pediatric Vision benefits.

b. **State Mandated Benefits Which are not EHBs:** None

c. **Eliminated Benefits:** None

d. **Additional Mandatory Supplemental Benefits:** None

e. **Changes in the Level of Covered Services:**

The following 3 benefits in the Vermont EHB package are “substantially equal” to the EHB plan benefits with quantity limits replacing the outlawed dollar limits.

1. Medical Foods
2. Bariatric Surgery
3. Private Duty Nursing

f. **EHB Substitutions:** None

9. Credibility Adjusted Projected Claims

Not applicable.

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10. Projected Index Rate

The projected index rate is \$504.14. See Exhibit IV.

11. Risk Adjustment and Reinsurance

a. Risk Transfer Payments: BCBSVT anticipates that its exchange business will be a representative of the overall exchange and therefore does not anticipate any Risk Transfer Payments for CY2014.

b. Transitional Reinsurance:

Expected Eligible Claims

The 2014 Transitional Reinsurance program payout parameters, applicable only to members in the Individual market, are:

- \$60,000 claims attachment point
- \$250,000 reinsurance cap
- 80 percent coinsurance rate

Using the re-adjudication method discussed below, BCBSVT calculated the expected claims PMPM between \$60,000 and \$250,000 for each benefit design. The results are shown in the following table:

Plan Design	Expected Eligible Reins Claims (PMPM)
Non-Standard Plan - Gold	\$47.15
Non-Standard Plan - Gold CDHP	\$47.08
Non-Standard Plan - Silver	\$45.58
Non-Standard Plan - Silver CDHP	\$45.54
Non-Standard Plan - Bronze CDHP	\$45.24
Standard Plan - Platinum	\$48.58
Standard Plan - Gold	\$46.31
Standard Plan - Silver Deductible	\$45.56
Standard Plan - Silver HDHP	\$45.60
Standard Plan - Bronze Deductible	\$45.13
Standard Plan - Bronze HDHP	\$45.24

The average expected eligible reinsurance claims PMPM for the Silver plans is \$45.57.

According to the **HHS Benefit Notice Final Rule 03-01-2013** (page 385), the national Transitional Reinsurance Program collected monies will total \$12 billion: \$10 billion

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will be allocated to the reinsurance pool and \$2 billion will be payable to the U.S. Treasury. In the absence of evidence to the contrary, we have assumed that there will be adequate monies to fully fund the reinsurance claims. HHS will assess \$5.25 PMPM to fund these in 2014.

We estimate that BCBSVT will have 35,922 Individual members on the Vermont Exchange. This means that \$19.644M ($35,922 \times 12 \times \45.57) is assumed to be payable to BCBSVT for reinsurance claims.

Because the Vermont Exchange has a combined Individual and Small Group market, the expected recoveries are spread across the rates for all members. We estimate that the BCBSVT will have a total of 63,222 members on the Vermont Exchange. When the \$19.644 million reimbursement is spread over the total membership, the expected recovery PMPM is \$25.89. This is an adjustment to the Index rate for the BCBSVT Exchange plans.

c. Exchange User Fees:

- To fund the HHS-risk adjustment program, issuers will remit to HHS a fee of \$.08 PMPM. This is a charge in the rate development.
- The Vermont Exchange is not charging any user fee for 2014.

12. Plan Level Adjusted Index Rate

Plan adjusted expected claims PMPM

We started with the claims base from our BCBSVT 2Q 2013 Benefit Relativity Factor (BRF) Filing⁵:

1. Incurred allowed charges from 2011, paid through July 2012, were used. The charges were trended to July 1, 2014. This date is the midpoint of the 12-month period that begins January 1, 2014.
2. The claims from Insured Group and Self Funded business are included in the analysis; Individual lines of business claims have been excluded. Large Groups with special benefits have also been excluded. Only plans with both medical and pharmacy benefits are included.
3. Medical claims were adjusted to the reimbursement levels of the EPO network.
4. For each of the Exchange plans other than the catastrophic plan the claims were re-adjudicated to reflect the benefits of the plan. For each plan a pricing actuarial

⁵ SERFF Tracking #: BCVT-128829812 VFN 63889

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value was calculated as the ratio of the total re-adjudicated benefit amount divided by the total allowed charges.

For the catastrophic plan the claims for members age 30 and under were separated from the other claims. Each set of claims was re-adjudicated separately and the ratio of re-adjudicated benefits to the allowed charges for each was calculated.

The results are summarized in the following table:

	Member Months in re-adjudication model	Paid-to- Allowed ratio	Expected Members in Catastrophic Plan
Total Population	368,039	66.4%	
Age 30 & under	125,939	55.5%	2,423
Age over 30	242,100	68.7%	1,580

The expected number of members in the catastrophic plan is based on projections provided by Neela Associates. The weighted average, weighted by the expected members in the catastrophic plan, is 60.7% which is the value used for the catastrophic plan.

- Benefit richness adjustment factors were based on the benefit richness adjustment factors in the BRF filing. The factors in the BRF filing were developed based on a paid to allowed ratio of .84 producing a value of 1.00. The observed average paid to allowed ratio for the categories going to the exchange was .79. The benefit richness adjustment factors were, therefore, normalized to 1.00 for a plan having a .79 paid to allowed ratio.

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The resulting factors were applied to the average projected Exchange Allowed Medical and Pharmacy claims PMPM to produce a plan adjusted expected Medical and Pharmacy claims PMPM. To these were added the projected claims for Pediatric Vision, Expanded Autism, and Blue Print⁶. The differences in pediatric vision claims by plan was assumed to be de minimis. Expanded autism claims are rare events of high cost and were therefore also assumed to be covered in full under all benefit plans. Pediatric dental claims were adjusted for the plan of benefits as described in George Berry's letter (Attachment A). Also added were BlueCard®⁷ claim charges paid by BCBSVT but not included in the allowed charges used for benefit determination, and pharmacy rebates estimated as the estimated PMPM value during the experience period assuming the rebate levels appropriate to the exchange benefit plans. No trend was assumed for pharmacy rebates. The expected transitional reinsurance recovery PMPM was subtracted. (The plan level expected claims are shown in Exhibit V)

Administrative expenses - See Exhibit VI and section 15 below.

Taxes and Fees - See Exhibit VII and section 15 below.

Contribution to Reserves - the contribution to reserves is set to 1% of premium.

Required premium PMPM - See exhibit VIII

13. Actuarial Values

a. AV Metal Values

- Standard Plans - see Attachment B.
- Non-standard Plans - see Attachments C and D

b. AV Pricing Values⁸

- We chose the Blue for You Gold plan as the reference plan
- See Exhibit IX for the Pricing AV values

14. Paid to allowed ratio See Exhibit X.

15. Non-Benefit Expenses Including Risk and Profit Margin

Administrative Expenses (see Exhibit VI for PMPM values)

⁶ Based on the PCP's assigned to the members in the categories in 3.c Blue Print claim amounts were determined as either the actual Blue Print amount for those PCP's participating in Blue Print or the average Blue Print amount for PCPs expected to be participating based on the Blue Print expansion plan. The total was divided by the total membership in the categories to produce the estimated Blue Print PMPM amount.

⁷ The BlueCard® Program gives Blues Cross & Blue Shield of Vermont members healthcare coverage wherever they go - across the country and around the world.

⁸ The AV Pricing Value represents the cost to the issuer of providing coverage under the plan (i.e., incurred claims and administrative costs) as a percentage of the cost of providing coverage for a fixed reference plan.

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- Munich Reinsurance (Net Cost) - Expected net cost (reinsurance premium less expected reinsurance claims) for excess of loss coverage obtained from Munich Re.
- Vaccines for Vermonters - Assessment for the Vaccine for Vermonters program. This is based on the actual claims from Vermont providers where the vaccine is indicated as having been supplied by the state. Based on the individual vaccine cost rates provided by the program and the charges assessed by the program we estimate an imputed charge for each claim where the vaccine is provided by the state. The average PMPM for the experience period was used as the expected cost for the projection period.
- Administrative Charges for BCBSVT -

To develop the General Administrative Expenses PMPM, we used the data underlying the Q2-Q3 2013 BCBSVT Administrative Charges and Contribution to Reserves filing (SERFF # BCVT-128808862 VFN 63454).

The experience period used in this filing is 10/2011 to 9/2012. Thus a trend period of 27 months (from the midpoint of the experience period to the midpoint of the 1/2014 to 12/2014 rating period is needed. We assumed the 2.6% annual trend from the filing.

We looked at the expenses for the following categories of membership that are expected to be enrolled in the Exchange:

- BCBSVT Small Group (SG)
- BCBSVT Nongroup
- BCBSVT Safety Net
- BCBSVT Catamount
- TVHP Small Group (SG)

We divided the expenses into two categories:

1. Continuing Functions in the Exchange: These are services that are currently provided and expected to continue to be provided in the Exchange environment. In our current admin filings, these services are accounted for in the 'Per Member' portion of our individual and group charge factors, and include functions such as claims processing, customer service, and disease management. The following table summarizes the calculation of the trended administrative expense PMPM for these continuing functions:

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	<u>BCBSVT SG</u>	<u>NonGroup</u>	<u>Safety Net</u>	<u>Catamount</u>	<u>TVHP SG</u>	<u>TOTAL</u>
Expenses	\$4,837,663	\$398,375	\$340,109	\$4,290,785	\$6,782,472	\$16,649,404
Member Months	202,766	16,162	13,812	166,738	288,298	687,776
Total PMPM						\$24.21
Trend (2.6%, 27 months)						1.0595
Trended PMPM						\$25.65

These functions include activities associated with Health Care quality improvement and fraud detection.

2. New Functions in the Exchange: Some of the expense categories from the admin filings (e.g. the 'Per Account' and 'Per Billing Group' group categories) will not be continuing in the Exchange environment. There will be new business needs in the Exchange environment (e.g. additional billing and reconciliation functions, HIX integration requirements). BCBSVT intends to redirect the resources currently allocated to the non-continuing expense categories to the new Exchange business requirements, and to manage costs to stay within current levels. Therefore we have assumed that the cost of these new functions is comparable to the current 'Per Account' and 'Per Billing Group' group expenses in the current admin filings. The following table summarizes the calculation of the trended administrative expense PMPM for these new functions:

	<u>BCBSVT SG</u>	<u>NonGroup</u>	<u>Safety Net</u>	<u>Catamount</u>	<u>TVHP SG</u>	<u>TOTAL</u>
Expenses	\$788,433	\$0	\$0	\$0	\$878,930	\$1,667,363
Member Months	202,766	16,162	13,812	166,738	288,298	687,776
Total PMPM						\$2.42
Trend (2.6%, 27 months)						1.0595
Trended PMPM						\$2.57

The BCBSVT administrative expense PMPM is the sum of these two components, \$28.22.

- Administrative Charges for VCC - This is the amount PMPM to be paid to VCC for utilization review and management of mental health and substance abuse claims.
- Administrative Charges for Pediatric Benefits (Dental and Vision) - These benefits are being administered by third party administrators. The administrative fees are charged for eligible members only. The ratio of eligible

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members to total members based on the projected exchange population by current category (surrogate category) and using the ratios for those categories observed in the experience period, is applied to get the per member per month administrative charge.

- **Blue For You Reward Program -**

Under this program, BCBSVT will reward members with credits via a debit card for the following wellness activities:

- Completing an online health assessment
- Setting personal health goals online
- Having a physical exam
- Having a routine eye or dental exam

Offsetting this cost is the assumed improvement in the health status of the participants. BCBSVT management has decided to not make an explicit charge for this program in the Exchange plan rates.

- **Vendor fee for HSA Integration -** For all Exchange plans with an HSA-compatible benefit design, we will offer a service (via a contracted vendor) to integrate with the mechanics of depositing monies into health savings accounts. We anticipate that 10% of contracts will use this service. We converted this to a per member per month basis by looking at the current ratio of the numbers of contracts to the numbers of members for the following categories of membership that are expected to be enrolled in the Exchange:

- BCBSVT Small Group (SG)
- BCBSVT Nongroup
- BCBSVT Safety Net
- BCBSVT Catamount
- TVHP Small Group (SG)

For the experience period of 1/2012 to 12/2012, this ratio was 62.3%.

Assessments, Taxes and Fees (see Exhibit VII for PMPM amounts)

Transitional Reinsurance - This is the transitional reinsurance contribution. The amount of this for 2014 is \$5.25 PMPM.

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VITL, HCCA and New Health Care Claims Tax⁹ of 0.5% starting 7/2014 - These are the claims assessments levied by VT. They total 0.999% of claims for 1/1/2014 through 6/30/2014 and are anticipated to increase to 1.499% in July of 2014.

PCOR - This is the expected amount of Patient Centered Outcome Research assessment in 2014.

HHS Risk Adjustment Fee - This is the fee assessed by HHS for administering the Risk Adjustment Program for Vermont

Federal Insurer Fee - We estimate that this will be approximately 2% of premium.

Exchange Fee - For 2014 Vermont is not assessing a fee for the exchange.

There are no commissions or broker fees associated with these products.

BCBSVT does not pay premium tax.

Contribution to Reserve (CTR) -These filed rates include a 1 percent contribution to reserves. This is lower than the 2 percent CTR that has been approved for BCBSVT's insured business and that which is required to adequately maintain our RBC position. However, BCBSVT management has decided to reduce the CTR component during the transitional period covered by this filing to help control costs for the populations that will be moving into the Exchange's consolidated risk pools. BCBSVT does not include investment income in its rate development.

16. Adjustment to Vermont Community Rate Tier Structure

Vermont has defined the following tier structure:

	Definition		Tier Ratio
Tier One	Single		1.000
Tier Two	Couple		2.000
Tier Three	Single Head of Household with one or more children		1.93
Tier Four	Family: Two Parents with one or more children		2.81

⁹ H. 418 AN ACT RELATING TO ESTABLISHING PREMIUM AND COST-SHARING ASSISTANCE, A SUGAR-SWEETENED BEVERAGE TAX, AND A HEALTH CARE CLAIMS TAX

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Based on the projected number of members anticipated to come from each experience period category (surrogate category) and the distribution of members by tier we developed the following expected number of members by tier.

We applied our current tier factors to develop the total premium needed for each plan assuming all members enrolled in each plan. We also estimated the total number of single rate amounts that the prescribed tiers applied to all members would produce. We then solved for the single rate required to make the premium collected under our current tier structure equal to that collected under the prescribed tier structure.

For aggregate deductible plans however we assumed that all couples would purchase as two singles rather than as a couple since they received a better benefit that way while under the state tier structure they would pay the same premium as a couple or as two singles.

17. Rate Tables See Exhibit XI.

18. Company Financial Position

According to the NAIC, a completed RBC calculation of a company is considered confidential and not available to the public, and so we cannot disclose such information in this document.

Further information regarding the current financial position of the company is available from the Annual Statements for BCBSVT, which was submitted on 3/1/2013. The RBC levels displayed in those exhibits show that both BCBSVT is well above the company action level set by the NAIC, and well above the minimum capital adequacy level set by the BCBSA.

The expectation of the implementation of the Vermont insurance exchange is that there could potentially be a modest increase in BCBSVT membership. Modest membership growth is not expected to impact the company's solvency, although it would likely cause a reduction in the RBC over time if contribution to reserves remains below 2%.

19. Loss Ratios

We have no experience on which to base a projection of the plans members will choose in the Exchange. We will, therefore, demonstrate that each plan is expected to meet the loss ratio requirements.

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- Vermont imposes a 70% expected loss ratio for Individual products. See Exhibit XII.
- Federal MLR - We assume that, since the transitional reinsurance recoveries are required to be spread across the combined market for premium determination, the MLR calculation will be done at the combined market level with a minimum requirement of 80%. See Exhibit XIII.

20. Reliance

- We relied upon the services of Susan Stock, Managing Director with Neela Associates, Shelburne, Vermont, to assist in the analysis of the expected Exchange population. The results of this analysis appear reasonable.
- In determining the trend assumption we relied upon company management's assessment of the information provided by the GMCB. We also relied upon company management's assessment of the impact of medical management and review practices with respect to specialty Rx. These assumptions appear reasonable and not inconsistent with recent experience.
- For the metallic AV values of the standard plans we relied upon the certification provided by Julie Peper of Wakely Consulting. (Attachment B)
- We relied upon pricing information from George N. Berry, FSA, MAAA, Principal and Consulting Actuary with Milliman, for the projected net claims costs for the pediatric dental benefits that will be offered in the Exchange plans. I provided the parameters of the pediatric dental plans to Mr. Berry, and relied on his expertise in the pricing of those benefits. (Attachment A)
- We relied on vision claim estimates provided by VSP our vision administrator. These estimates appear reasonable and consistent with costs under our current vision plans.

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21. Actuarial Certifications

a. Certifying actuary: I, Vincent G. Mace, Chief Actuary, am an employee of Blue Cross Blue Shield of Vermont a Fellow of the Society of Actuaries and a member of the American Academy of Actuaries.

b. Index rate -

1. In my opinion the projected index rate:

- Is in compliance with applicable State and Federal statutes, in particular it complies with 45 CFR 156.80(d)(1);
- Was developed in compliance with the applicable Actuarial Standards of Practice.

1. In my opinion the plan level adjusted index rates:

- Were developed in compliance with the applicable Actuarial Standards of Practice
- Are reasonable in relation to the benefits to be provided;
- Are neither excessive or unfairly discriminatory;
- Were developed using only the permitted plan level adjustments.

c. Plan Level Rates - In my opinion the plan level index rates used to develop the plan rates were generated using only the index rate and allowable adjustments as described in 45 CFR 156.80(d).

d. Metal AV

1. **Standard Plans** - I have relied on the certification provided by the state (See Attachment B)

2. **Non-Standard plans**

a. CSR 94% plans - for these plans the Metal AV was determined using the AV calculator (See Attachment D)

b. other non-standard plans - The AV's for these plans were developed in accordance with 45 CFR 156.135(b)(3) (See Attachment C)

e: EHB Substitutions - no EHB substitutions were made.

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f: I, (Vincent Mace FSA, MAAA), certify that I am knowledgeable as to the Vermont laws and regulations that apply to this filing and that, to the best of my knowledge and belief, this filing is in compliance with such laws and regulations and provides all required benefits.

g: I, (Vincent Mace FSA, MAAA), am of the opinion that this filing is in compliance with the applicable Federal and State Laws and Regulations concerning the Patient Protection and Affordable Care Act and the Health Care and Education Reconciliation Act of 2010.

h: I, (Vincent Mace FSA, MAAA), do hereby certify that this filing has been prepared in accordance with the following:

i) Actuarial Standard of Practice No. 8, "Regulatory Filings for Rates and Financial Projections for Health Plans,"

ii) Actuarial Standard of Practice No. 26, "Compliance with Statutory and Regulatory Requirements for the Actuarial Certification of Small Employer Health Benefit Plans,"

iii) Actuarial Standard of Practice No. 31, "Documentation in Health Benefit Plan Ratemaking," and

iv) Actuarial Standard of Practice No. 41, "Actuarial Communications."

Vincent Mace

Signature of Actuary
Vincent G. Mace, FSA, MAAA

Printed Name of Actuary
P.O. Box 186 Montpelier, VT 05601

Address of Actuary
802-371-3626

Telephone number of Actuary
March 25, 2013

Date

I HEREBY CERTIFY that I have reviewed the applicable filing requirements for this filing, and, to the best of my knowledge, the filing complies with all applicable statutory and regulatory provisions for the state of Vermont

A handwritten signature in blue ink, appearing to read "Ruth Greene", is written over a horizontal line.

Ruth Greene
Vice President, Treasurer & Chief Financial Officer

A handwritten date "3-25-2013" in blue ink is written over a horizontal line.

Date

Health Filing Form F106 (7/98)
Required Information for All Filings & the Fee

NAIC#: 53295

Company Name

Blue Cross Blue Shield of Vermont

Address:

PO Box 186

City, State, Zip:

Montpelier, VT 05601

Phone:

371-3450

Contact Person: Alison Partridge

Filing Contents: BCBSVT 2014 Vermont Exchange Products Rate Filing

1) New: ☒

Change: ☐

If a Change: Latest Approval Date _____ Vermont Filing #: _____

2) Rates: ☒

Forms: ☐

Rates & Forms: ☐

3) Policy: ☐

Contract: ☐

Amendment: ☐

Endorsement: ☐

Handbook: ☐

Rider: ☐

Certificate: ☐

Other: Outline

4) Individual: ☒

Small Group (1-50): ☒

Large Group (51+): ☐

All Groups: ☐

Type of Filing:

Accident Only: ☐

Dental: ☐

Miscellaneous: ☐

AD&D: ☐

Disability: ☐

Nursing Home Only: ☐

Advertising: ☐

Home Health Only: ☐

Organ Transplant: ☐

Blanket: ☐

Hospital Indemnity: ☐

Prescription Drug: ☐

Cancer Expense: ☐

Limited Benefit: ☐

Student/Athlete: ☐

Comprehensive/

Long Term Care:

Stop Loss/Excess Risk: ☐

Major Medical: ☐

Qualified: ☐

Travel: ☐

Conversion: ☐

Non-Qualified: ☐

Vision: ☐

Critical Illness: ☐

Medicare Supplement: ☐

Other: Health

Mandatory - Filing Fee Information:

1. State of Domicile: Vermont

2. Amount of Fee: \$50.00

3. Is the Fee you are sending based on your state of domicile's retaliatory fee? Yes ☐ No ☒

4. Explain how each part of the Fee was determined, showing all calculation (use separate sheet if necessary). Vermont filing fee

5. Fee calculated by: Jude Daye

(Printed Name)

(Signature)

Vermont Health Insurance Rate Filing Checklist
Non-grandfathered Individual and Small Group Products

Required Item	Description of Review Requirement	Reference(s)	✓	Location in the Filing	Document Name / Exhibit Name or Number	Filer's Notes
Cover Letter	Include the legal name and address of the submitting company, toll-free number and valid email address of the filer, unique identifying form number of each form submitted and its descriptive title, whether the form is new or a form revision, and identify for any revised forms the form being replaced by its form number, assigned tracking number and approval date		✓	Act Memo Item 1		
Rate Schedule	A schedule of rates for the filed effective date for all products and plans which are part of the single risk pool must be submitted. Include all products and plans regardless of whether or not a rate increase is being requested		✓		Exhibit XI	
Federal Part I Unified Rate Review Template	A Federal Part I Unified Rate Review Template must be submitted with all rate filings which include at least one product that is subject to a rate increase	45 CFR 154.215(a) and (b)				To be filed on or before 4/8/2013
Federal Part II Written Description	A Federal Part II written description must be submitted for rate increases which meet the current threshold for rate increases deemed "subject to review" as defined by 45 CFR 154.200	45 CFR 154.215(a), (b) and (e)	✓			Not applicable
Federal Part III Actuarial Memorandum Requirements	Part III Actuarial Memorandum requirements must be provided with each filing for which a Part I Unified Rate Review Template is required	45 CFR 154.215(a) and (b)				To be filed on or before 4/8/2013
For Increases of 5% or Greater - Plan Language Summary	For requested increases of 5% or greater, the insurer shall file a plain language summary.		✓			Not applicable
Vermont Rate Filing Experience Submission Template	A Vermont Rate Filing Experience Submission Template must be completed and submitted with each filing that covers products and plans which are part of the single risk pool.					To be filed on or before 4/8/2013
Actuarial Memorandum	An actuarial memorandum signed by a current member of the American Academy of Actuaries		✓			
Company Legal Name	The Company's legal name associated with the HIOS issuer ID	Federal Part III Actuarial Memorandum	✓	Act Memo Item 1a		
HIOS Issuer ID	The HIOS ID Assigned to the legal entity	Federal Part III Actuarial Memorandum	✓	Act Memo Item 1a		
NAIC Number	The NAIC Company Code assigned to the legal entity	Federal Part III Actuarial Memorandum	✓	Act Memo Item 1a		
Primary Contact Name	Name of person at the company who will serve as the primary contact for the filing	Federal Part III Actuarial Memorandum	✓	Act Memo Item 1b		
Primary Contact Number	Phone number for the primary contact	Federal Part III Actuarial Memorandum	✓	Act Memo Item 1b		
Primary Contact Address	Address for the primary contact		✓	Act Memo Item 1b		
Primary Contact Email Address	Email address for the primary contact	Federal Part III Actuarial Memorandum	✓	Act Memo Item 1b		
Scope and Purpose	The scope and purpose of the filing, including all laws the filing is intended to comply with	ASOP #8	✓	Act Memo Item 1c		
Market	The market in which the products and plans are offered	Federal Part III Actuarial Memorandum	✓	Act Memo Item 1d		
Policy Forms	List all policy form numbers including HIOS Product Codes and Product Names	Federal Part III Actuarial Memorandum	✓	Act Memo Item 1e		
Description of Benefits	A narrative description of the benefits that will be provided by the policy forms included in the filing	Federal Part III Actuarial Memorandum	✓	Act Memo Item 1f	Exhibit IA, Exhibit IB	
Marketing Method	A description of the marketing methods used to inform consumers of the availability of the policies	Federal Part III Actuarial Memorandum	✓	Act Memo Item 1g		
History of Rate Adjustments	The month, year and percentage amount of all previous rate revisions.		✓	Act Memo Item 2a		Not applicable
Effective Date of Requested Rate Adjustment	The effective dates that the requested rates are scheduled to be applied to and method of implementation.	Federal Part III Actuarial Memorandum	✓	Act Memo Item 2b		

Vermont Health Insurance Rate Filing Checklist
Non-grandfathered Individual and Small Group Products

Required Item	Description of Review Requirement	Reference(s)	✓	Location in the Filing	Document Name / Exhibit Name or Number	Filer's Notes
Proposed Percentage Rate Adjustment	The requested rate adjustments for each product and plan	Federal Part III Actuarial Memorandum	✓	Act Memo Item 2c		Not applicable
Description of How Rates Were Determined	A description of how rates were determined and how they meet the requirements of Vermont law to be reasonable relative to the level of benefits provided, and not excessive, inadequate, or unfairly discriminatory		✓	Act Memo Item 2d	Exhibit XI	
Reason for Rate Adjustment	A narrative description of the significant factors driving the change in rates	Federal Part III Actuarial Memorandum	✓	Act Memo Item 2e		Not applicable
Average Annual Premium	The average premium for the entire single risk pool, before and after the requested rate adjustment	Federal Part III Actuarial Memorandum	✓	Act Memo Item 2f		
Number of Policyholders and Covered Lives	The number of Vermont policyholders and covered lives affected by the proposed rate increase		✓	Act Memo Item 2g		
Dates of Service for the Experience Period Used to Develop Rates	The dates of service of claims representing the base period experience used to develop the index rate for the single risk pool	45 CFR 154.301(a)(3)(iv); 45 CFR 154.301(a)(4)(xiv)	✓	Act Memo Item 3a		
Date Through Which Claims Were Paid	The date through which claim payments were made on claims incurred during the experience period	45 CFR 154.301(a)(3)(iv); 45 CFR 154.301(a)(4)(xiv)	✓	Act Memo Item 3b		
Estimated Allowed Claims During the Experience Period Used to Develop Rates	The actuary's best estimate of allowed claims for the single risk pool during the experience period that were used as a basis for developing the projected index rate	45 CFR 154.301(a)(3)(i) and (iv); ASOP #8	✓		Exhibit II	
Method for Determining Allowed Claims	The method that was used to determine allowed claims (e.g. directly from claims system, paid claims plus required cost sharing)	45 CFR 154.301(a)(3)(i) and (iv)	✓	Act Memo Item 3d		
Incurred but Not Paid Claims	Support for the method used to develop the incurred but not paid claims on an allowed basis	45 CFR 154.301(a)(3)(i) and (iv)	✓	Act Memo Item 3e		
Premium in Experience Period (Net of MLR Rebate)	The best estimate of premium earned during the experience period, both before and after MLR rebates	45 CFR 154.301(a)(3)(i); ASOP #8	✓	Act Memo Item 3f		Not appropriate for experience used in this development
Adjustments to Allowed Claims During the Experience Period	Description and numerical support for adjustments made to the experience period allowed claims for the single risk pool that were used as a basis for developing the projected index rate to adjust for the potential volatile nature of the experience	45 CFR 154.301(a)(3)(i) and (iv); ASOP #8	✓	Act Memo Item 4	Exhibit II, Exhibit III	
Changes in Benefits	A description of average benefit changes (i.e. changes to covered services) between the experience period and the projection period, and a description of and support for the impact of each change on rates. Separately specify which changes were made to comply with Federal law	45 CFR 154.301(a)(4)(iv); Federal Part III Actuarial Memorandum; ASOP #8	✓	Act Memo Item 5a		
Trend Factors (Cost and Utilization)	A description of how trend is developed for each major service category and a detailed trend analysis supporting the factors used. Actual vs. expected trend for the past 36 months must also be provided.	45 CFR 154.301(a)(4)(i); Federal Part III Actuarial Memorandum; ASOP #8	✓	Act Memo Item 5b		
Projected Changes in the Demographics of the Population Insured	A description and support for the development of factors used to adjust the experience period claims to reflect differences in the average demographics of the population covered in the experience period and the population anticipated to be covered in the projection period.	45 CFR 154.301(a)(4)(v) and (xv); ASOP #8	✓	Act Memo Item 5c		
Projected Changes in the Morbidity of the Population Insured	A description and support for the development of factors used to adjust the experience period claims to reflect differences in the average morbidity of the population covered in the experience period and the population anticipated to be covered in the projection period.	45 CFR 154.301(a)(4)(v) and (xv); ASOP #8	✓	Act Memo Item 5d		
Other Projected Changes	A description and support for the development of any other factors used to adjust the experience period claims to reflect differences between the experience period and the population anticipated to be covered in the projection period.	45 CFR 154.301(a)(4)(v) and (xv); ASOP #8	✓	Act Memo Item 5e		
Methodology Used to Develop the Credibility Manual Rate	Description of the methodology used to develop the credibility manual index rate, if applicable	ASOP #25	✓	Act Memo Item 6a		Not applicable
Source and Appropriateness of Experience Used to Develop the Credibility Manual Rate	Description of the source data used to develop the credibility manual index rate and support that the data is appropriate, if applicable	ASOP #25	✓	Act Memo Item 6b		Not applicable

Vermont Health Insurance Rate Filing Checklist
Non-grandfathered Individual and Small Group Products

Required Item	Description of Review Requirement	Reference(s)	✓	Location in the Filing	Document Name / Exhibit Name or Number	Filer's Notes
Adjustments Made to Data Used to Develop the Credibility Manual Rate	Description and support for each adjustment made to the experience used to develop the credibility manual index rate, if applicable	ASOP #25	✓	Act Memo Item 6c		Not applicable
Inclusion of Capitation Payments in Developing the Credibility Manual Rate	Description of how capitated services were accounted for in developing the credibility manual index rate, if applicable	ASOP #25	✓	Act Memo Item 6d		Not applicable
Credibility Methodology	Description of the methodology used to determine the credibility of the base period experience	ASOP #25	✓	Act Memo Item 7a		Not applicable
Credibility Level(s)	The credibility level assigned to the base period experience	ASOP #25	✓	Act Memo Item 7b		Not applicable
Covered Services - Essential Health Benefits	Description and percent of claims represented by newly added benefits which are Essential Health Benefits	45 CFR 154.301(a)(3)(iv); 45 CFR 154.301(a)(4)(iv)	✓	Act Memo Item 8a	Exhibit IV	
Covered Services - State Mandated Benefits Which are Not Essential Health Benefits	Description and percent of claims represented by benefits which are Vermont State mandated benefits but are <u>Not</u> Essential Health Benefits	45 CFR 154.301(a)(3)(iv); 45 CFR 154.301(a)(4)(iv)	✓	Act Memo Item 8b		
Covered Services - Eliminated Benefits	Description and percent of claims represented by benefits which are currently covered but will not be covered in the projection period	45 CFR 154.301(a)(3)(iv); 45 CFR 154.301(a)(4)(iv)	✓	Act Memo Item 8c		
Covered Services - Additional Mandatory Supplemental Benefits	Listing of benefits that will be covered on a mandatory basis in the projection period but are <u>Not</u> an Essential Health Benefit	45 CFR 154.301(a)(3)(iv); 45 CFR 154.301(a)(4)(iv)	✓	Act Memo Item 8d		
Covered Services - Changes in the Level of Covered Services	Description of benefits which are currently covered but will covered at a different level in the projection period (e.g., change in the number of visits covered)	45 CFR 154.301(a)(3)(iv); 45 CFR 154.301(a)(4)(iv)	✓	Act Memo Item 8e		
Covered Services - EHB Substitutions	Description and support for any benefits substituted for Essential Health Benefits	45 CFR 156.115(b)	✓	Act Memo Item 8f		
Credibility Adjusted Projected Claims	Estimated claims for the projection period, after adjusting for credibility, including appropriate support	45 CFR 154.301(a)(3)(iv); 45 CFR 154.301(a)(4)(xiv)	✓	Act Memo Item 9		Not applicable
Projected Index Rate	Estimated index rate for the projection period, representing the EHB portion of the credibility adjusted projected claims	45 CFR 154.301(a)(3)(iv); 45 CFR 154.301(a)(4)(xiv)	✓	Act Memo Item 10	Exhibit IV	
Risk Transfer Payments	Demonstration the calculation of the estimate of the risk transfer payments during the projection period	45 CFR 154.301(a)(3)(iii); 45 CFR 154.301(a)(4)(xv)	✓	Act Memo Item 11a		
Transitional Reinsurance	Demonstration the calculation of the estimate of the transitional reinsurance payments during the projection period.	45 CFR 154.301(a)(3)(iii); 45 CFR 154.301(a)(4)(xv)	✓	Act Memo Item 11b		
Exchange User Fees	Demonstration of the calculation of the estimate of the impact of exchange user fees during the projection period	45 CFR 154.301(a)(3)(iv); 45 CFR 154.301(a)(4)(xiv)	✓	Act Memo Item 11c		
Plan Level Adjusted Index Rate	Demonstration of how the index rate was adjusted for the allowable plan level adjustments outlined in 45 CFR 154.80(d)(2)	45 CFR 154.301(a)(3)(iv); 45 CFR 154.301(a)(4)(iii)	✓	Act Memo Item 12	Exhibit V, Exhibit VI, Exhibit VII, Exhibit VIII, Attachment A	Assumed the reference to 45 CFR 154.80(d)(2) should read: 45 CFR 156.80(d)(2)
AV Metal Values	Description of how the AV Metal Values for each of the plans was calculated, and support for use of alternate methodologies other than the AV Calculator	45 CFR 154.301(a)(3)(iv); 45 CFR 154.301(a)(4)(iii)	✓	Act Memo Item 13a	Attachment B, Attachment C, Attachment D	
AV Pricing Values	Description of how the AV Pricing Values for each of the plans was calculated, and identification of a reference plan	45 CFR 154.301(a)(3)(iv); 45 CFR 154.301(a)(4)(iii)	✓	Act Memo Item 13b	Exhibit IX	
Paid to Allowed Ratio	Support for the average paid to allowed ratio during the projection period	Federal Part I Unified Rate Review Template and Part III Actuarial Memorandum	✓	Act Memo Item 14	Exhibit X	
Projected Non-Benefit Expenses, Risk and Profit	Support for proposed non-benefit expenses, risk margins and profit margins.	45 CFR 154.301(a)(4)(vii), (ix) and (x)	✓	Act Memo Item 15	Exhibit VI	
Comparison of Current and Proposed Non-Benefit Expenses, Risk and Profit	A comparison of the amounts by prescribed expense category as a percent of premium and on a PMPM basis for both the current and proposed rates.	45 CFR 154.301(a)(4)(viii), (ix) and (x)	✓	Act Memo Item 15	Exhibit VI, Exhibit VII	
Varying Non-Benefit Expenses by Plan	Support for non-benefit expense loads as a percent of premium that vary by plan	45 CFR 154.301(a)(4)(vii), (ix) and (x)	✓	Act Memo Item 15	Exhibit VI, Exhibit VII	
Family Composition	Proposed family composition factors/methodology and demonstration that the premium developed is consistent with the premium developed using the methodology described in 45 CR 147.102, paragraphs (c)(1) or (c)(2)	45 CFR 154.301(a)(3)(iv)	✓	Act Memo Item 16		

Vermont Health Insurance Rate Filing Checklist
Non-grandfathered Individual and Small Group Products

Required Item	Description of Review Requirement	Reference(s)	✓	Location in the Filing	Document Name / Exhibit Name or Number	Filer's Notes
Development of Rate Tables	Description of how the plan level adjusted index rate was normalized to the carrier's reference plan for use in developing age, geographic and tobacco status specific rates	45 CFR 154.301(a)(4)(v) and (xiv)	✓	Act Memo Item 17	Exhibit XI	BCBSVT developed the table of rates without regard to age, tobacco use or geographic area, as required under the Vermont community rating law, and so the requirements listed in 45 CFR 154.301(a)(4)(v) and (xiv) do not apply.
Company Financial Position	Description of the carrier's current financial position	45 CFR 154.301(a)(4)(xii)	✓	Act Memo Item 18		
Loss Ratio Requirements	State the Vermont or Federal Loss Ratio Requirements	45 CFR 154.301(a)(4)(xi)	✓	Act Memo Item 19	Exhibit XII	
Projected Federal MLR	Demonstration of the anticipated Federal MLR during the projection period	45 CFR 154.301(a)(4)(xi)	✓	Act Memo Item 19	Exhibit XIII	
Vermont Loss Ratio Requirements	Demonstration of compliance with any Vermont loss ratio requirements	45 CFR 154.301(a)(4)(xi)	✓	Act Memo Item 19	Exhibit XII	
Reliance	Disclosure of any information developed by other individuals that the actuary relied on in the development of rates	ASOP #8; Federal Part III Actuarial Memorandum	✓	Act Memo Item 20		
Identification of the Certifying Actuary	The certifying actuary must identify himself/herself and indicate they are a member of the American Academy of Actuaries	Federal Part III Actuarial Memorandum	✓	Act Memo Item 21a		
Certification of the Index Rate	Certification that the index rate was calculated appropriately and in compliance with applicable laws and actuarial standards of practice	45 CFR 154.301(a)(3)(iv); 45 CFR 154.301(a)(4)(xiv)	✓	Act Memo Item 21b		
Certification of Plan Level Rates	Certification that plan level rates were developed using the index rate and only adjusting for allowable factors	45 CFR 154.301(a)(3)(iv); 45 CFR 154.301(a)(4)(iii)	✓	Act Memo Item 21c		
Certification of Metal AV	Certification that the standard AV Calculator was used to determine the metal AV for each plan, or if a alternate methodology was used, certification that the alternate methodology is consistent with the AV Calculator	Federal Part III Actuarial Memorandum	✓	Act Memo Item 21d		
Certification of EHB Substitutions	Certification that EHB substitutions meet the requirements of 45 CFR 156.115(b)	45 CFR 156.115(b)	✓	Act Memo Item 21e		
Certification of Compliance with Vermont General Statutes	Certification that the proposed rates are in compliance with the requirements of Vermont law.	Federal Part III Actuarial Memorandum	✓	Act Memo Item 21f		
Certification of Compliance with Applicable Federal Regulations	Certification that the proposed rates were developed in compliance with applicable Federal regulations	Federal Part III Actuarial Memorandum	✓	Act Memo Item 21g		
Certification of Compliance with Actuarial Standards of Practice	Certification that the filing has been prepared in compliance with ASOP #8, 26, 31, and 41	Federal Part III Actuarial Memorandum	✓	Act Memo Item 21h		

**BLUE CROSS BLUE SHIELD OF VERMONT
2014 VERMONT EXCHANGE PRODUCTS RATE FILING
STANDARD PLAN DESIGNS**

EXHIBIT IA

State of Vermont
Standardized Plan Designs - Final March 13, 2013
Grouped by Metal Tier

Deductible/OOP Max	AVC Input	Platinum	Gold	Silver		Bronze	
		Final Approved	Final Approved	Final Approved	Final Approved	Final Approved	Final Approved
Type of Plan		Deductible	Deductible	Deductible	HSA Q/HDHP	Deductible	HSA Q/HDHP
Medical Ded	Yes	\$150	\$750	\$1,900	\$1,550	\$3,500	\$2,000
Rx Ded	Yes	\$0	\$50	\$100	\$1,250	\$200	\$1,250
Integrated Ded	Yes	No	No	No	Yes	No	Yes
Medical OOPM	Yes	\$1,250	\$4,250	\$5,150	\$5,750	\$6,400	\$6,250
Rx OOPM	Yes	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250
Integrated OOPM	Yes	No	No	No	Rx -No, Medical - Yes	Rx -No, Medical - Yes	Rx -No, Medical - Yes
Family Deductible / OOP	No	Stacked, 2x Individual	Stacked, 2x Individual	Stacked, 2x Individual	Aggregate, 2x Individual	Stacked, 2x Individual	Aggregate, 2x Individual
Medical Deductible waived for:	Yes	Prev, OV, UC, Amb, ER	Prev, OV, UC, Amb, ER	Prev, OV, UC, Amb	Preventive	Preventive	Preventive
Drug Deductible waived for:	Yes	N/A	Generic scripts	Generic scripts	Wellness scripts	Applies to all scripts	Wellness scripts
Service Category		Copay / Coinsurance	Copay / Coinsurance	Copay / Coinsurance	Copay / Coinsurance	Copay / Coinsurance	Copay / Coinsurance
Inpatient ¹	Yes (SNF)	10%	20%	40%	20%	50%	50%
Outpatient ²	Yes	10%	20%	40%	20%	50%	50%
ER ³	Yes	\$100	\$150	\$250	20%	50%	50%
Radiology (MRI, CT, PET)	Yes (Lab/X-Ray)	10%	20%	40%	20%	50%	50%
Preventive	Yes	\$0	\$0	\$0	0%	\$0	0%
PCP Office Visit	Yes	\$10	\$15	\$20	10%	\$35	50%
MH/SA Office Visit	Yes	\$10	\$15	\$20	10%	\$35	50%
Specialist Office Visit ⁴	Yes (PT/ST/OT)	\$20	\$25	\$40	20%	\$80	50%
Urgent Care	No	\$40	\$45	\$60	20%	\$100	50%
Ambulance	No	\$50	\$50	\$100	20%	\$100	50%
Rx Generic	Yes	\$5	\$5	\$12	\$10	\$20	\$12
Rx Preferred Brand	Yes	\$40	\$40	\$50	\$40	\$80	40%
Rx Non-Preferred Brand	Yes (Specialty)	50%	50%	50%	50%	60%	60%
Actuarial Value							
Federal AVC, Adjusted if Necessary		88.1%	80.2%	71.8%	68.7%	61.8%	60.9%
Adjustment to AVC, if Needed					0.977	1.033	0.958
AV from AVC					70.3%	59.8%	63.6%

1 Inpatient includes surgery, ICU/NICU, maternity, SNF and MH/SA. This cost sharing will also include physician and anesthesia costs, as appropriate.

2 Outpatient includes ASCs. This cost sharing will also include physician and anesthesia costs, as appropriate.

3 ER copay is waived if admitted.

4 Specialist copay also applies to PT/ST/OT, vision, and any alternative medicine benefits, as appropriate.

BLUE CROSS BLUE SHIELD OF VERMONT
2014 VERMONT EXCHANGE PRODUCTS RATE FILING
NON-STANDARD PLAN DESIGNS

EXHIBIT IB

INDIVIDUAL AND SMALL GROUP MARKET: NON-STANDARD PLANS					
Plan Features	Gold		Silver		Bronze
	Blue For You	CDHP Blue For You	Blue For You	CDHP Blue For You	CDHP Blue For You
Medical Ded	\$1,250	\$1,250	\$2,000	\$2,000	\$5,000
Rx Ded	Combined	Combined	Combined	Combined	Combined
Integrated Ded	Yes	Yes	Yes	Yes	Yes
Medical OOPM	\$4,250	\$4,250	\$6,250	\$6,250	\$6,250
Rx OOPM	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250
Integrated OOPM	Yes	Yes	Yes	Yes	Yes
Family Deductible / OOP	Aggregate, 2x Individual	Aggregate, 2x Individual	Aggregate, 2x Individual	Aggregate, 2x Individual	Aggregate, 2x Individual
Medical Deductible waived for:	Prev, 3 PCP/MH OV	Preventive Care	Prev, 3 PCP/MH OV	Preventive Care	Preventive Care
Drug Deductible waived for:	N/A	Wellness Drugs	N/A	Wellness Drugs	Wellness Drugs
Service Category	Copay / Coins.	Copay / Coins.	Copay / Coins.	Copay / Coins.	Copay / Coins.
Preventive	\$0	\$0	\$0	\$0	\$0
PCP Office Visit	3 visits per member combined PCP/MH at no cost share before deductible then \$20 copay	\$20	3 visits per member combined PCP/MH at no cost share before deductible then \$30 copay	\$30	50%
MH/SA Office Visit		\$20		\$30	50%
Specialist Office Visit	\$30	\$30	\$50	\$50	50%
Urgent Care	\$30	\$30	\$50	\$50	50%
Ambulance	\$30	\$30	\$50	\$50	50%
ER	\$250	\$250	\$250	\$250	50%
Radiology (MRI, CT, PET)	\$500	\$500	\$1,750	\$1,750	50%
Outpatient	\$500	\$500	\$1,750	\$1,750	50%
Inpatient	\$500	\$500	\$1,750	\$1,750	50%
Rx Generic	\$5	\$5	\$5	\$5	\$25
Rx Preferred Brand	40%	40%	40%	40%	40%
Rx Non-Preferred Brand	60%	60%	60%	60%	60%

BLUE CROSS BLUE SHIELD OF VERMONT
2014 VERMONT EXCHANGE PRODUCTS RATE FILING
ADJUSTMENTS TO ALLOWED CLAIMS DURING THE EXPERIENCE PERIOD

EXHIBIT II

BCBSVT CATEGORY UTILIZATION TREND				
Source : BCBS Q3 2013 Trend Filing				
Claims incurred through 10/12, paid through 12/12				
		12 Month		
	PMPM	Regression		
	Allowed	Util Trend	R ²	
Hospital Inpatient	\$65.22	0.988	0.32	
Hospital Outpatient	\$164.96	1.036	0.96	
Professional	\$109.21	1.006	0.23	
Other	\$17.13	1.001	0.01	
	\$356.51	1.016		

CATAMOUNT CATEGORY UTILIZATION TREND				
Catamount Only Data				
Claims incurred through 10/12, paid through 12/12				
		12 Month		
	PMPM	Regression		
	Allowed	Util Trend	R ²	
Hospital Inpatient	\$68.16	1.009	0.04	
Hospital Outpatient	\$159.20	1.066	0.95	
Professional	\$82.98	1.053	0.96	
Other	\$20.41	1.002	0.02	
	\$330.76	1.047		

TVHP CATEGORY UTILIZATION TREND				
Source : TVHP Q3 2013 Trend Filing				
Claims incurred through 10/12, paid through 12/12				
		12 Month		
	PMPM	Regression		
	Allowed	Util Trend	R ²	
Hospital Inpatient	\$53.46	0.986	0.21	
Hospital Outpatient	\$145.97	1.006	0.28	
Professional	\$90.09	1.017	0.70	
Other	\$14.42	1.025	0.49	
	\$303.94	1.007		

MEDICAL				
CATEGORY	2012 Allowed	Bring Cost to 12/31/2012	Bring Utilization to 12/31/2012	Trended Allowed 12/31/2012
Catamount Direct Pay	\$477.00	1.4115	1.0233	\$688.95
Catamount Subsidized	\$325.66	1.4117	1.0233	\$470.44
Nongroup/Safety Net	\$399.47	0.9779	1.0082	\$393.83
BCBS SG-CDHP	\$331.56	0.9787	1.0082	\$327.15
BCBS SG-NonCDHP	\$350.23	0.9781	1.0082	\$345.36
BCBS SG-POS	\$387.20	1.0343	1.0082	\$403.77
TVHP SG-CDHP-PHO	\$283.05	1.1179	1.0033	\$317.47
TVHP SG-NonCDHP-PHO	\$300.33	1.1169	1.0033	\$336.56
TVHP SG-CDHP-NonPHO	\$358.79	1.0362	1.0033	\$373.02
TVHP SG-NonCDHP-NonPHO	\$441.08	1.0388	1.0033	\$459.70

PHARMACY				
CATEGORY	2012 Allowed	Bring Cost to 12/31/2012	Bring Utilization to 12/31/2012	Trended Allowed 12/31/2012
Catamount Direct Pay	\$122.21	1.0320	1.0000	\$126.12
Catamount Subsidized	\$88.03	1.0320	1.0000	\$90.85
Nongroup/Safety Net	\$98.76	1.0320	1.0000	\$101.92
BCBS SG-CDHP	\$46.29	1.0320	1.0000	\$47.77
BCBS SG-NonCDHP	\$59.54	1.0320	1.0000	\$61.44
BCBS SG-POS	\$76.33	1.0320	1.0000	\$78.77
TVHP SG-CDHP-PHO	\$56.95	1.0320	1.0000	\$58.77
TVHP SG-NonCDHP-PHO	\$81.85	1.0320	1.0000	\$84.47
TVHP SG-CDHP-NonPHO	\$69.28	1.0320	1.0000	\$71.50
TVHP SG-NonCDHP-NonPHO	\$82.82	1.0320	1.0000	\$85.47

CALCULATION OF WEIGHTED AVERAGE ESTIMATED ALLOWED CLAIMS AS OF 12/31/2012					
CATEGORY	2012 Total Allowed	Bring Cost to 12/31/2012	Bring Utilization to 12/31/2012	Trended Allowed 12/31/2012	Assumed Membership Breakdown
Catamount Direct Pay	\$599.21	1.3341	1.0196	\$815.07	5%
Catamount Subsidized	\$413.69	1.3309	1.0194	\$561.28	22%
Nongroup/Safety Net	\$498.23	0.9886	1.0065	\$495.75	3%
BCBS SG-CDHP	\$377.85	0.9852	1.0071	\$374.92	16%
BCBS SG-NonCDHP	\$409.77	0.9859	1.0069	\$406.80	16%
BCBS SG-POS	\$463.53	1.0340	1.0068	\$482.54	1%
TVHP SG-CDHP-PHO	\$340.00	1.1035	1.0028	\$376.24	17%
TVHP SG-NonCDHP-PHO	\$382.18	1.0987	1.0026	\$421.03	4%
TVHP SG-CDHP-NonPHO	\$428.07	1.0355	1.0028	\$444.52	13%
TVHP SG-NonCDHP-NonPHO	\$523.90	1.0377	1.0028	\$545.17	4%

WEIGHTED AVERAGE PMPM

\$411.98

\$464.81

BLUE CROSS BLUE SHIELD OF VERMONT
2014 VERMONT EXCHANGE PRODUCTS RATE FILING
ESTIMATED ALLOWED CLAIMS DURING EXPERIENCE PERIOD PMPM

EXHIBIT III

BCBSVT Estimated Exchange Population		Current Category	CY 2012 Allowed PMPM	EPO Allowed PMPM on 12/31/2012
Catamount - Subsidized Uninsured - Subsidized VHAP	14,023	Catamount Subsidized	\$413.69	\$561.28
Catamount - Direct Pay Uninsured - Direct Pay	3,082	Catamount Direct Pay	\$599.21	\$815.07
Nongroup/Safety Net	2,093	Nongroup/Safety Net	\$498.23	\$495.75
Small Group	9,853	BCBS Small Group - CDHP	\$377.85	\$374.92
	10,217	BCBS Small Group - Non CDHP	\$409.77	\$406.80
	322	BCBS Small Group - POS	\$463.53	\$482.54
	10,703	TVHP Small Group - CDHP - PHO	\$340.00	\$376.24
	2,281	TVHP Small Group - Non CDHP - PHO	\$382.18	\$421.03
	8,275	TVHP Small Group - CDHP - RISK	\$428.07	\$444.52
	2,374	TVHP Small Group - Non CDHP - RISK	\$523.90	\$545.17
Total:	63,222	TOTAL PMPM	\$411.98	\$464.81

BLUE CROSS BLUE SHIELD OF VERMONT
2014 VERMONT EXCHANGE PRODUCTS RATE FILING
PROJECTED INDEX RATE

EXHIBIT IV

BCBSVT Estimated Exchange Population		Current Network	EPO Allowed PMPM on 12/31/2012	Effective* Trend Factor (18 mths)	2014 Allowed PMPM on EPO	
Catamount - Subsidized Uninsured - Subsidized VHAP	14,023	Catamount Subsidized	\$561.28	1.064	\$596.99	
Catamount - Direct Pay Uninsured - Direct Pay	3,082	Catamount Direct Pay	\$815.07	1.063	\$866.68	
Nongroup/Safety Net	2,093	Nongroup/Safety Net	\$495.75	1.065	\$528.21	
Small Group	9,853	BCBS Small Group - CDHP	\$374.92	1.062	\$398.23	
	10,217	BCBS Small Group - Non CDHP	\$406.80	1.063	\$432.50	
	322	BCBS Small Group - POS	\$482.54	1.064	\$513.26	
	10,703	TVHP Small Group - CDHP - PHO	\$376.24	1.063	\$400.09	
	2,281	TVHP Small Group - Non CDHP - PHO	\$421.03	1.065	\$448.50	
	8,275	TVHP Small Group - CDHP - RISK	\$444.52	1.064	\$472.78	
	2,374	TVHP Small Group - Non CDHP - RISK	\$545.17	1.063	\$579.73	
Total:		63,222	TOTAL PMPM \$464.81		\$494.29	98.0%
					Pediatric Vision	\$0.59 0.1%
					Pediatric Dental	\$6.54 1.3%
					Autism Expansion	\$2.72 0.5%
					Projected Index Rate	\$504.14 100.0%

* Effect of Medical and Rx trend factors applied to medical and Rx claims respectively

**BLUE CROSS BLUE SHIELD OF VERMONT
2014 VERMONT EXCHANGE PRODUCTS RATE FILING
PLAN LEVEL EXPECTED CLAIMS PMPM**

EXHIBIT V

Exchange Allowed PMPM (EPO Network)
Pricing Actuarial Value
Benefit Richness Adjustment
Expected Claims Cost PMPM

Pediatric Vision Benefit Cost
Pediatric Dental Benefit Cost
Autism Expansion
Blue Print
ITS Fees
Pharmacy Rebates
Expected Recoveries from Transitional Reinsurance

Plan Adjusted expected claims PMPM

INDIVIDUAL AND SMALL GROUP MARKET: NON-STANDARD PLANS					INDIVIDUAL AND SMALL GROUP MARKET: STANDARD PLANS						
GOLD		SILVER		BRONZE	PLATINUM	GOLD	SILVER	BRONZE			
Blue For You	CDHP Blue For You	Blue For You	CDHP Blue For You	CDHP Blue For You	Deductible	Deductible	Deductible	CDHP	Deductible	CDHP	Catastrophic
\$494.29	\$494.29	\$494.29	\$494.29	\$494.29	\$494.29	\$494.29	\$494.29	\$494.29	\$494.29	\$494.29	\$494.29
81.1%	79.5%	73.0%	71.4%	64.2%	91.9%	83.0%	74.3%	74.9%	64.8%	67.5%	60.7%
1.011	1.004	0.974	0.963	0.934	1.092	1.047	1.010	0.981	0.935	0.941	0.925
\$405.19	\$394.41	\$351.41	\$339.93	\$296.24	\$496.24	\$429.68	\$370.98	\$363.20	\$299.34	\$313.86	\$277.52
\$0.59	\$0.59	\$0.59	\$0.59	\$0.59	\$0.59	\$0.59	\$0.59	\$0.59	\$0.59	\$0.59	\$0.59
\$3.84	\$3.84	\$2.77	\$2.77	\$1.61	\$6.43	\$4.58	\$2.77	\$3.28	\$1.75	\$2.83	\$1.61
\$2.72	\$2.72	\$2.72	\$2.72	\$2.72	\$2.72	\$2.72	\$2.72	\$2.72	\$2.72	\$2.72	\$2.72
\$1.54	\$1.54	\$1.54	\$1.54	\$1.54	\$1.54	\$1.54	\$1.54	\$1.54	\$1.54	\$1.54	\$1.54
\$1.69	\$1.69	\$1.69	\$1.69	\$1.69	\$1.69	\$1.69	\$1.69	\$1.69	\$1.69	\$1.69	\$1.69
-\$2.62	-\$2.62	-\$2.62	-\$2.62	-\$2.62	-\$2.62	-\$2.62	-\$2.62	-\$2.62	-\$2.62	-\$2.62	-\$2.62
-\$25.89	-\$25.89	-\$25.89	-\$25.89	-\$25.89	-\$25.89	-\$25.89	-\$25.89	-\$25.89	-\$25.89	-\$25.89	-\$25.89
\$387.07	\$376.28	\$332.22	\$320.73	\$275.89	\$480.70	\$412.30	\$351.79	\$344.52	\$279.12	\$294.72	\$257.16

**BLUE CROSS BLUE SHIELD OF VERMONT
2014 VERMONT EXCHANGE PRODUCTS RATE FILING
ADMINISTRATIVE EXPENSE**

EXHIBIT VI

Munich Reinsurance (Net Cost)
Vaccines for Vermonters
Administrative Charges for BCBSVT
Administrative Charges for Outside Vendors
Blue For You Reward Program

Administrative Expense PMPM

INDIVIDUAL AND SMALL GROUP MARKET: NON-STANDARD PLANS						INDIVIDUAL AND SMALL GROUP MARKET: STANDARD PLANS						
GOLD		SILVER		BRONZE		PLATINUM	GOLD	SILVER		BRONZE		
Blue For You	CDHP Blue For You	Blue For You	CDHP Blue For You	CDHP Blue For You		Deductible	Deductible	Deductible	CDHP	Deductible	CDHP	Catastrophic
\$0.51	\$0.51	\$0.51	\$0.51	\$0.51		\$0.51	\$0.51	\$0.51	\$0.51	\$0.51	\$0.51	\$0.51
\$0.86	\$0.86	\$0.86	\$0.86	\$0.86		\$0.86	\$0.86	\$0.86	\$0.86	\$0.86	\$0.86	\$0.86
\$28.22	\$28.22	\$28.22	\$28.22	\$28.22		\$28.22	\$28.22	\$28.22	\$28.22	\$28.22	\$28.22	\$28.22
\$1.33	\$1.50	\$1.33	\$1.50	\$1.50		\$1.33	\$1.33	\$1.33	\$1.50	\$1.33	\$1.50	\$1.33
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$30.92	\$31.09	\$30.92	\$31.09	\$31.09		\$30.92	\$30.92	\$30.92	\$31.09	\$30.92	\$31.09	\$30.92

Munich Reinsurance (Net Cost)
Vaccines for Vermonters
Administrative Charges for BCBSVT
Administrative Charges for Outside Vendors
Blue For You Reward Program

Administrative Expense as Percent of Premium

INDIVIDUAL AND SMALL GROUP MARKET: NON-STANDARD PLANS						INDIVIDUAL AND SMALL GROUP MARKET: STANDARD PLANS						
GOLD		SILVER		BRONZE		PLATINUM	GOLD	SILVER		BRONZE		
Blue For You	CDHP Blue For You	Blue For You	CDHP Blue For You	CDHP Blue For You		Deductible	Deductible	Deductible	CDHP	Deductible	CDHP	Catastrophic
0.12%	0.12%	0.13%	0.14%	0.16%		0.09%	0.11%	0.13%	0.13%	0.15%	0.15%	0.17%
0.19%	0.20%	0.22%	0.23%	0.26%		0.16%	0.18%	0.21%	0.22%	0.26%	0.25%	0.28%
6.38%	6.55%	7.34%	7.57%	8.65%		5.23%	6.03%	6.97%	7.10%	8.57%	8.16%	9.21%
0.30%	0.35%	0.35%	0.40%	0.46%		0.25%	0.28%	0.33%	0.38%	0.40%	0.43%	0.44%
0.00%	0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
7.00%	7.22%	8.04%	8.34%	9.53%		5.73%	6.60%	7.63%	7.82%	9.39%	8.99%	10.09%

**BLUE CROSS BLUE SHIELD OF VERMONT
2014 VERMONT EXCHANGE PRODUCTS RATE FILING
ASSESSMENTS, TAXES, FEES**

EXHIBIT VII

Transitional Reinsurance Contribution
VITL, HCCA and New tax of 0.5% starting 7/2014
PCOR
HHS Risk Adjustment Fee
Federal Insurer Fee
Exchange Fee

Assessments, Taxes Fees

INDIVIDUAL AND SMALL GROUP MARKET: NON-STANDARD PLANS						INDIVIDUAL AND SMALL GROUP MARKET: STANDARD PLANS						
GOLD		SILVER		BRONZE		PLATINUM	GOLD	SILVER		BRONZE		
Blue For You	CDHP Blue For You	Blue For You	CDHP Blue For You	CDHP Blue For You	CDHP Blue For You	Deductible	Deductible	Deductible	CDHP	Deductible	CDHP	Catastrophic
\$5.25	\$5.25	\$5.25	\$5.25	\$5.25	\$5.25	\$5.25	\$5.25	\$5.25	\$5.25	\$5.25	\$5.25	\$5.25
\$5.15	\$5.01	\$4.46	\$4.32	\$3.76	\$3.76	\$6.32	\$5.46	\$4.71	\$4.62	\$3.80	\$4.00	\$3.53
\$0.18	\$0.18	\$0.18	\$0.18	\$0.18	\$0.18	\$0.18	\$0.18	\$0.18	\$0.18	\$0.18	\$0.18	\$0.18
\$0.08	\$0.08	\$0.08	\$0.08	\$0.08	\$0.08	\$0.08	\$0.08	\$0.08	\$0.08	\$0.08	\$0.08	\$0.08
\$8.84	\$8.62	\$7.69	\$7.46	\$6.52	\$6.52	\$10.79	\$9.36	\$8.10	\$7.95	\$6.58	\$6.91	\$6.13
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$19.49	\$19.14	\$17.66	\$17.28	\$15.79		\$22.62	\$20.34	\$18.32	\$18.08	\$15.89	\$16.42	\$15.16

Transitional Reinsurance Contribution
VITL, HCCA and New tax of 0.5% starting 7/2014
PCOR
HHS Risk Adjustment Fee
Federal Insurer Fee
Exchange Fee

Assessments, Taxes Fees

INDIVIDUAL AND SMALL GROUP MARKET: NON-STANDARD PLANS						INDIVIDUAL AND SMALL GROUP MARKET: STANDARD PLANS						
GOLD		SILVER		BRONZE		PLATINUM	GOLD	SILVER		BRONZE		
Blue For You	CDHP Blue For You	Blue For You	CDHP Blue For You	CDHP Blue For You	CDHP Blue For You	Deductible	Deductible	Deductible	CDHP	Deductible	CDHP	Catastrophic
1.19%	1.22%	1.36%	1.41%	1.61%	1.61%	0.97%	1.12%	1.30%	1.32%	1.59%	1.52%	1.71%
1.17%	1.16%	1.16%	1.16%	1.15%	1.15%	1.17%	1.17%	1.16%	1.16%	1.15%	1.16%	1.15%
0.04%	0.04%	0.05%	0.05%	0.05%	0.05%	0.03%	0.04%	0.04%	0.04%	0.05%	0.05%	0.06%
0.02%	0.02%	0.02%	0.02%	0.02%	0.02%	0.01%	0.02%	0.02%	0.02%	0.02%	0.02%	0.03%
2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
4.41%	4.44%	4.59%	4.64%	4.84%		4.19%	4.34%	4.52%	4.55%	4.83%	4.75%	4.95%

BLUE CROSS BLUE SHIELD OF VERMONT
2014 VERMONT EXCHANGE PRODUCTS RATE FILING
REQUIRED PREMIUM PMPM

EXHIBIT VIII

	INDIVIDUAL AND SMALL GROUP MARKET: NON-STANDARD PLANS					INDIVIDUAL AND SMALL GROUP MARKET: STANDARD PLANS						
	GOLD		SILVER		BRONZE	PLATINUM	GOLD	SILVER		BRONZE		
	Blue For You	CDHP Blue For You	Blue For You	CDHP Blue For You	CDHP Blue For You	Deductible	Deductible	Deductible	CDHP	Deductible	CDHP	
Exchange Allowed PMPM (EPO Network)	\$494.29	\$494.29	\$494.29	\$494.29	\$494.29	\$494.29	\$494.29	\$494.29	\$494.29	\$494.29	\$494.29	\$494.29
Pricing Actuarial Value	81.1%	79.5%	73.0%	71.4%	64.2%	91.9%	83.0%	74.3%	74.9%	64.8%	67.5%	60.7%
Benefit Richness Adjustment	1.011	1.004	0.974	0.963	0.934	1.092	1.047	1.010	0.981	0.935	0.941	0.925
Expected Claims Cost PMPM	\$405.19	\$394.41	\$351.41	\$339.93	\$296.24	\$496.24	\$429.68	\$370.98	\$363.20	\$299.34	\$313.86	\$277.52
Pediatric Vision Benefit Cost	\$0.59	\$0.59	\$0.59	\$0.59	\$0.59	\$0.59	\$0.59	\$0.59	\$0.59	\$0.59	\$0.59	\$0.59
Pediatric Dental Benefit Cost	\$3.84	\$3.84	\$2.77	\$2.77	\$1.61	\$6.43	\$4.58	\$2.77	\$3.28	\$1.75	\$2.83	\$1.61
Autism Expansion	\$2.72	\$2.72	\$2.72	\$2.72	\$2.72	\$2.72	\$2.72	\$2.72	\$2.72	\$2.72	\$2.72	\$2.72
Blue Print	\$1.54	\$1.54	\$1.54	\$1.54	\$1.54	\$1.54	\$1.54	\$1.54	\$1.54	\$1.54	\$1.54	\$1.54
ITS Fees	\$1.69	\$1.69	\$1.69	\$1.69	\$1.69	\$1.69	\$1.69	\$1.69	\$1.69	\$1.69	\$1.69	\$1.69
Pharmacy Rebates	-\$2.62	-\$2.62	-\$2.62	-\$2.62	-\$2.62	-\$2.62	-\$2.62	-\$2.62	-\$2.62	-\$2.62	-\$2.62	-\$2.62
Expected Recoveries from Transitional Reinsurance	-\$25.89	-\$25.89	-\$25.89	-\$25.89	-\$25.89	-\$25.89	-\$25.89	-\$25.89	-\$25.89	-\$25.89	-\$25.89	-\$25.89
Munich Reinsurance (Net Cost)	\$0.51	\$0.51	\$0.51	\$0.51	\$0.51	\$0.51	\$0.51	\$0.51	\$0.51	\$0.51	\$0.51	\$0.51
Vaccines for Vermonters	\$0.86	\$0.86	\$0.86	\$0.86	\$0.86	\$0.86	\$0.86	\$0.86	\$0.86	\$0.86	\$0.86	\$0.86
Administrative Charges for BCBSVT	\$28.22	\$28.22	\$28.22	\$28.22	\$28.22	\$28.22	\$28.22	\$28.22	\$28.22	\$28.22	\$28.22	\$28.22
Administrative Charges for Outside Vendors	\$1.33	\$1.50	\$1.33	\$1.50	\$1.50	\$1.33	\$1.33	\$1.33	\$1.50	\$1.33	\$1.50	\$1.33
Blue For You Reward Program	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Transitional Reinsurance Contribution	\$5.25	\$5.25	\$5.25	\$5.25	\$5.25	\$5.25	\$5.25	\$5.25	\$5.25	\$5.25	\$5.25	\$5.25
VITL, HCCA and New tax of 0.5% starting 7/2014	\$5.15	\$5.01	\$4.46	\$4.32	\$3.76	\$6.32	\$5.46	\$4.71	\$4.62	\$3.80	\$4.00	\$3.53
PCOR	\$0.18	\$0.18	\$0.18	\$0.18	\$0.18	\$0.18	\$0.18	\$0.18	\$0.18	\$0.18	\$0.18	\$0.18
HHS Risk Adjustment Fee	\$0.08	\$0.08	\$0.08	\$0.08	\$0.08	\$0.08	\$0.08	\$0.08	\$0.08	\$0.08	\$0.08	\$0.08
Federal Insurer Fee	\$8.84	\$8.62	\$7.69	\$7.46	\$6.52	\$10.79	\$9.36	\$8.10	\$7.95	\$6.58	\$6.91	\$6.13
Exchange Fee	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Contribution to Reserve	\$4.42	\$4.31	\$3.85	\$3.73	\$3.26	\$5.40	\$4.68	\$4.05	\$3.98	\$3.29	\$3.46	\$3.06
Required Premium - Per Member Per Month	\$441.90	\$430.81	\$384.64	\$372.83	\$326.02	\$539.63	\$468.23	\$405.07	\$397.66	\$329.22	\$345.68	\$306.30

BLUE CROSS BLUE SHIELD OF VERMONT
2014 VERMONT EXCHANGE PRODUCTS RATE FILING
AV PRICING VALUES (Reference Plan = Blue For You Gold)

Exhibit IX

Reference Plan Premium PMPM
Plan required Premium
Pricing AV
Pricing AV by component
Expected Claims Cost PMPM
Pediatric Vision Benefit Cost
Pediatric Dental Benefit Cost
Autism Expansion
Blue Print
ITS Fees
Pharmacy Rebates
Expected Recoveries from Transitional Reinsurance
Total Claims
Munich Reinsurance (Net Cost)
Vaccines for Vermonters
Administrative Charges for BCBSVT
Administrative Charges for Outside Vendors
Blue For You Reward Program
Total Administrative Costs
Transitional Reinsurance Contribution
VITL HCCA and New tax of 0.5% starting 7/2014
PCOR
HHS Risk Adjustment Fee
Federal Insurer Fee
Exchange Fee
Total, Assessments Fees and Taxes
Contribution to Reserve

INDIVIDUAL AND SMALL GROUP MARKET: NON-STANDARD PLANS					INDIVIDUAL AND SMALL GROUP MARKET: STANDARD PLANS								
GOLD		SILVER		BRONZE	PLATINUM	GOLD	SILVER		BRONZE				
Blue For You	CDHP Blue For You	Blue For You	CDHP Blue For You	CDHP Blue For You	Deductible	Deductible	Deductible	CDHP	Deductible	CDHP	Catastrophic		
\$441.90	\$441.90	\$441.90	\$441.90	\$441.90	\$441.90	\$441.90	\$441.90	\$441.90	\$441.90	\$441.90	\$441.90		
\$441.90	\$430.81	\$384.64	\$372.83	\$326.02	\$539.63	\$468.23	\$405.07	\$397.66	\$329.22	\$345.68	\$306.30		
100.0%	97.5%	87.0%	84.4%	73.8%	122.1%	106.0%	91.7%	90.0%	74.5%	78.2%	69.3%		
91.7%	89.3%	79.5%	76.9%	67.0%	112.3%	97.2%	84.0%	82.2%	67.7%	71.0%	62.8%		
0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%		
0.9%	0.9%	0.6%	0.6%	0.4%	1.5%	1.0%	0.6%	0.7%	0.4%	0.6%	0.4%		
0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%		
0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%		
0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%		
-0.6%	-0.6%	-0.6%	-0.6%	-0.6%	-0.6%	-0.6%	-0.6%	-0.6%	-0.6%	-0.6%	-0.6%		
-5.9%	-5.9%	-5.9%	-5.9%	-5.9%	-5.9%	-5.9%	-5.9%	-5.9%	-5.9%	-5.9%	-5.9%		
87.6%	85.2%	75.2%	72.6%	62.4%	108.8%	93.3%	79.6%	78.0%	63.2%	66.7%	58.2%		
0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%		
0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%		
6.4%	6.4%	6.4%	6.4%	6.4%	6.4%	6.4%	6.4%	6.4%	6.4%	6.4%	6.4%		
0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%		
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		
7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%		
1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%		
1.2%	1.1%	1.0%	1.0%	0.9%	1.4%	1.2%	1.1%	1.0%	0.9%	0.9%	0.8%		
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		
2.0%	1.9%	1.7%	1.7%	1.5%	2.4%	2.1%	1.8%	1.8%	1.5%	1.6%	1.4%		
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		
4.4%	4.3%	4.0%	3.9%	3.6%	5.1%	4.6%	4.1%	4.1%	3.6%	3.7%	3.4%		
1.0%	1.0%	0.9%	0.8%	0.7%	1.2%	1.1%	0.9%	0.9%	0.7%	0.8%	0.7%		

Reference
Plan

EXHIBIT X

Allowed Charges

Expected Claims Cost PMPM
Pediatric Vision Benefit Cost
Pediatric Dental Benefit Cost
Autism Expansion
Total Member Paid Benefit

Paid to Allowed Ratio

BLUE CROSS BLUE SHIELD OF VERMONT
2014 VERMONT EXCHANGE PRODUCTS RATE FILING
RATES BY TIER

EXHIBIT XI

INDIVIDUAL AND SMALL GROUP MARKET: NON-STANDARD PLANS						INDIVIDUAL AND SMALL GROUP MARKET: STANDARD PLANS						
GOLD		SILVER		BRONZE		PLATINUM	GOLD	SILVER		BRONZE		
Blue For You	CDHP Blue For You	Blue For You	CDHP Blue For You	CDHP Blue For You	CDHP Blue For You	Deductible	Deductible	Deductible	CDHP	Deductible	CDHP	Catastrophic
Tier 1	\$474.51	\$462.61	\$413.03	\$400.35	\$350.08	\$604.17	\$524.23	\$453.52	\$427.00	\$368.60	\$371.19	\$328.91
Tier 2	\$949.02	\$925.22	\$826.06	\$800.70	\$700.16	\$1,208.34	\$1,048.46	\$907.04	\$854.00	\$737.20	\$742.38	\$657.82
Tier 3	\$915.80	\$892.84	\$772.15	\$772.68	\$675.65	\$1,166.05	\$1,011.76	\$875.29	\$824.11	\$711.40	\$716.40	\$634.80
Tier 4	\$1,333.37	\$1,299.93	\$1,160.61	\$1,124.98	\$983.72	\$1,697.72	\$1,473.09	\$1,274.39	\$1,199.87	\$1,035.77	\$1,043.04	\$924.24

**BLUE CROSS BLUE SHIELD OF VERMONT
2014 VERMONT EXCHANGE PRODUCTS RATE FILING
EXPECTED LOSS RATIO FOR INDIVIDUAL MARKET**

EXHIBIT XII

Premium PMPM
Expected Direct Claims PMPM
Transitional Reinsurance Recoveries PMPM
Net claims
Expected Loss Ratio

INDIVIDUAL AND SMALL GROUP MARKET: NON-STANDARD PLANS					INDIVIDUAL AND SMALL GROUP MARKET: STANDARD PLANS						
GOLD		SILVER		BRONZE	PLATINUM	GOLD	SILVER		BRONZE		
Blue For You	CDHP Blue For You	Blue For You	CDHP Blue For You	CDHP Blue For You	Deductible	Deductible	Deductible	CDHP	Deductible	CDHP	Catastrophic
\$441.90	\$430.81	\$384.64	\$372.83	\$326.02	\$539.63	\$468.23	\$405.07	\$397.66	\$329.22	\$345.68	\$306.30
\$412.96	\$402.18	\$358.11	\$346.63	\$301.78	\$506.59	\$438.19	\$377.68	\$370.41	\$305.02	\$320.61	\$283.06
-\$47.15	-\$47.08	-\$45.58	-\$45.54	-\$45.24	-\$48.58	-\$46.31	-\$45.56	-\$45.60	-\$45.13	-\$45.24	-\$32.78
\$365.81	\$355.10	\$312.53	\$301.09	\$256.54	\$458.01	\$391.88	\$332.12	\$324.81	\$259.89	\$275.37	\$250.28
83%	82%	81%	81%	79%	85%	84%	82%	82%	79%	80%	82%

**BLUE CROSS BLUE SHIELD OF VERMONT
2014 VERMONT EXCHANGE PRODUCTS RATE FILING
FEDERAL MEDICAL LOSS RATIO FOR MERGED MARKET**

EXHIBIT XIII

	INDIVIDUAL AND SMALL GROUP MARKET: NON-STANDARD PLANS					INDIVIDUAL AND SMALL GROUP MARKET: STANDARD PLANS						
	GOLD		SILVER		BRONZE	PLATINUM	GOLD	SILVER		BRONZE		
	Blue For You	CDHP Blue For You	Blue For You	CDHP Blue For You	CDHP Blue For You	Deductible	Deductible	Deductible	CDHP	Deductible	CDHP	
Expected Direct Claims PMPM	\$412.96	\$402.18	\$358.11	\$346.63	\$301.78	\$506.59	\$438.19	\$377.68	\$370.41	\$305.02	\$320.61	\$283.06
Transitional Reinsurance Recoveries PMPM	-\$25.89	-\$25.89	-\$25.89	-\$25.89	-\$25.89	-\$25.89	-\$25.89	-\$25.89	-\$25.89	-\$25.89	-\$25.89	-\$25.89
Adjustments for Health Care Quality PMPM*	\$7.01	\$7.01	\$7.01	\$7.01	\$7.01	\$2.20	\$2.20	\$2.20	\$2.20	\$2.20	\$2.20	\$7.01
MLR Claims	\$394.08	\$383.30	\$339.23	\$327.75	\$282.90	\$482.90	\$414.50	\$353.99	\$346.72	\$281.32	\$296.92	\$264.17
Premium PMPM	\$441.90	\$430.81	\$384.64	\$372.83	\$326.02	\$539.63	\$468.23	\$405.07	\$397.66	\$329.22	\$345.68	\$306.30
Transitional Reinsurance Contribution PMPM	-\$5.25	-\$5.25	-\$5.25	-\$5.25	-\$5.25	-\$5.25	-\$5.25	-\$5.25	-\$5.25	-\$5.25	-\$5.25	-\$5.25
Taxes & Fees PMPM	-\$14.24	-\$13.89	-\$12.41	-\$12.03	-\$10.54	-\$17.37	-\$15.09	-\$13.07	-\$12.83	-\$10.64	-\$11.17	-\$9.91
MLR Premium	\$422.41	\$411.68	\$366.98	\$355.55	\$310.23	\$517.02	\$447.90	\$386.76	\$379.58	\$313.33	\$329.26	\$291.14
Expected Loss Ratio	93%	93%	92%	92%	91%	93%	93%	92%	91%	90%	90%	91%

*Approximately 7.8% of current BCBSVT Administrative Charges are for health care quality plus the Blue For You PMPM



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March 18, 2013

Ms. Ruth Greene
Vice President, Treasurer & CFO
Blue Cross and Blue Shield of Vermont
P.O. Box 186
Montpelier, VT 05601-0186

Re: Projected CY 2014 Net Claims Costs for Pediatric Dental

Dear Ruth:

As you requested, we have developed projected CY 2014 net claims costs for pediatric dental services. The estimates assume the pediatric dental coverage is integrated with the medical coverage, as opposed to being offered as a standalone plan. We assumed the integrated deductible applies to all dental services, including Class 1 (preventive) services. We modeled results for each of the six standard medical plans specified by the State, as well as the five non-standard plans designed by Blue Cross and Blue Shield of Vermont (BCBSVT). The projection is appropriate for CY 2014; adjustments should be made for rates that apply to subsequent periods.

These estimates are intended to assist BCBSVT with its development of proposed CY 2014 rates for individual and small group business that will be sold on the Vermont Exchange beginning 1/1/2014. The estimates may not be appropriate for any other use.

The projected CY 2014 net claims cost per child per month amounts are shown below for each plan:

Medical Plan	Projected Dental Cost
Standard Platinum	\$33.58
Standard Gold	\$23.95
Standard Silver	\$14.48
Standard Bronze	\$9.12
Standard Silver HDHP	\$17.14
Standard Bronze HDHP	\$14.78
Non-Standard Gold	\$20.07
Non-Standard Silver	\$14.49
Non-Standard Gold CDHP	\$20.07
Non-Standard Silver CDHP	\$14.49
Non-Standard Bronze CDHP	\$8.41

It should be noted there is a considerable amount of uncertainty in these projections. BCBSVT does not have dental claims experience, and as a result, the estimates are based on manual rates using the Milliman Dental Cost Guidelines (DCGs). Beyond the normal level of uncertainty associated with manual rates, there are a number of elements in this pricing that create significant additional uncertainty, such as the integration of medical and dental benefits, potential pent-up demand for dental services, no annual maximum benefit limit, and uncertainty in identifying medically necessary orthodontia services.

Development of Projected Claims for Non-Orthodontia Services

The projected claims costs for non-orthodontia are based on the Milliman Dental Cost Guidelines (DCGs). The DCG starting costs reflect national average billed charges. The methodology consists of the following steps:

- *Starting Costs* - The DCGs contain starting data by age/gender category. We used the average claims costs for ages 0-20 based on the DCG age mix within the 0-20 age band.
- *Area* – We adjusted the national average starting data to statewide Vermont based on area factors contained in the DCGs.
- *Trend* – We trended the CY 2011 starting data to CY 2014 using a 5% annual trend.
- *Discounts* – We used the 2012 fee level data provided by BCBSVT to develop discount percentages, which were then applied to the projected 2014 billed charges.
- *Benefit Richness* – Based on the most recent guidance available at the time these projections were developed, we assumed including benefit richness adjustments in projected plan relativities is prohibited. By benefit richness, we mean the estimated impact of member cost sharing on projected utilization levels. We therefore reflected a constant level of pediatric dental allowed claims in the projections for all plans.
- *Pent-Up Demand* – We assumed most members would not have prior dental coverage based on information provided by BCBSVT. The DCGs suggest a factor of 1.30 for new business; however that factor applies to a standard population. We reduced the DCG factor to 1.15 to reflect the expected lower impact for the mix of services expected for children.
- *Projected Allowed Costs* – Applying the adjustments described above results in the projected allowed costs for non-orthodontia costs.
- *Projected Net Costs* – As mentioned above, the projections assume the dental benefits are integrated with medical, as specified by BCBSVT. The projections reflect the medical benefits for the six medical plans specified by the State. And the five non-Standard plans designed by BCBSVT. The medical benefits are shown in the attached tables. We assumed all classes of dental services are subject to the deductible. The dental coinsurance is 100/70/50% on Classes 1-3 services, respectively, except that Space Maintainers are covered at 100% and Bridges and Simple Repairs are covered at 70%. We developed the net costs in two steps.

In the first step, we modeled the medical benefits and determined the portion of the deductible and out-of-pocket maximum that would be filled by medical claims, and the portion that would remain to be applied to dental services. We modeled the medical benefits using a child claims probability distribution from the Milliman Health Cost Guidelines (HCGs), scaled to match the projected CY 2014 child allowed PMPM of \$280 provided by BCBSVT. We performed a simulation of 10,000 members and tabulated the remaining deductible and out-of-pocket maximum amounts.

In the second step, we used the remaining deductible and out-of-pocket maximum amounts and the dental coinsurance percentages to develop dental net claims costs for each of the modeled 10,000 members. The dental development is based on a child non-orthodontia dental claims probability distribution from the DCGs that is scaled to the projected dental allowed claims PMPM described above. The overall projected dental net claims cost is the average of the dental net claims cost for each of the 10,000 modeled members.

Development of Projected Costs for Orthodontia Services

The orthodontia coverage includes medically necessary orthodontia only. While the State's benefit description does include the criteria that define medical necessity, it was not possible to precisely identify medically necessary orthodontia in the orthodontia data available to us.

We started with a child orthodontia claims probability distribution from the DCGs, area adjusted to statewide Vermont and trended to CY 2014. We assumed that medically necessary orthodontia would have a higher average annual claims amount than non-medically necessary orthodontia. We assumed that 33% of children with orthodontia costs greater than \$2000 would have medically necessary orthodontia. This results in roughly 30% of the overall orthodontia costs being allocated to medically necessary orthodontia.

We modeled orthodontia claims separately from non-orthodontia claims. We assumed the integrated deductible and out-of-pocket maximum apply to orthodontia, and we applied 50% coinsurance. In the orthodontia development we assumed children with medically necessary orthodontia claims have twice the level of medical claims on average due to the nature of their conditions, and average levels of non-orthodontia costs.

Limitations

The following limitations apply to our analysis.

- *Data Reliance* – In performing our analysis, we relied on data and other information provided by BCBSVT. We have not audited or verified this data and other information. Such a review is beyond the scope of our assignment. If the underlying data or information is inaccurate or incomplete, the results of our analysis may likewise be inaccurate or incomplete.
- *Variability* – It is certain that actual experience will not conform exactly to the assumptions used in this analysis. To the extent that actual experience is different from the assumptions

Ms. Ruth Greene

March 18, 2013

Page 4 of 6

used in the projections, the actual amounts will also deviate from the projected amounts. We recommend that BCBSVT monitor the emerging experience and make adjustments as warranted.

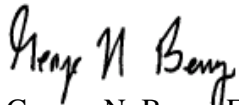
- *Distribution and Use* – This letter has been prepared for the use of and is only to be relied upon by the management of BCBSVT. No portion of this letter may be provided to any other party without Milliman's prior written consent, which consent shall not be unreasonably withheld but may be conditioned upon the execution by a third party of Milliman's standard release form; provided however, BCBSVT may provide the letter to any applicable governmental or regulatory agency as required by law. In the event such consent is provided, the letter must be provided in its entirety. Milliman does not intend to benefit any third party recipient of its work product, even if Milliman consents to the release of its work product to such third party.

Qualifications

This report may be considered a statement of actuarial opinion under guidelines promulgated by the American Academy of Actuaries. I am a member of the American Academy of Actuaries and meet its Qualification standards to render the opinion contained herein.

Please call me if you have any questions or if there is any additional assistance that we can provide.

Sincerely,



George N. Berry F.S.A.

Principal and Consulting Actuary

GNB/pg

Enclosures

Table 1
Blue Cross Blue Shield of Vermont
Summary of Standard Plan Designs, Revised

Deductible/OOP Max	Platinum	Gold	Silver	Bronze	Silver HDHP	Bronze HDHP
Type of Plan	Deductible				HSA Q/HDHP	
Medical Ded	\$150	\$750	\$1,900	\$3,500	\$1,550	\$2,000
Rx Ded	\$0	\$50	\$100	\$200	\$1,250	\$1,250
Integrated Ded	No	No	No	No	Yes	Yes
Medical OOPM	\$1,250	\$4,250	\$5,150	\$6,400	\$5,750	\$6,250
Rx OOPM	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250
Integrated OOPM	No	No	No	Rx-No, Med-Yes	Rx-No, Med-Yes	Rx-No, Med-Yes
Family Ded / OOP	Stacked, 2x Ind	Stacked, 2x Ind	Stacked, 2x Ind	Stacked, 2x Ind	Aggregate, 2x Ind	Aggregate, 2x Ind
Med Ded waived for:	Prev, OV, UC, Amb, ER	Prev, OV, UC, Amb, ER	Prev, OV, UC, Amb	Preventive	Preventive	Preventive
Drug Ded waived for:	N/A	Generic scripts	Generic scripts	Applies to all scripts	Wellness scripts	Wellness scripts
Service Category	Copay / Coinsurance					
Inpatient	10%	20%	40%	50%	20%	50%
Outpatient	10%	20%	40%	50%	20%	50%
ER	100	150	250	50%	20%	50%
Radiology (MRI, CT, PET)	10%	20%	40%	50%	20%	50%
Preventive	\$0	\$0	\$0	\$0	0%	0%
PCP Office Visit	\$10	\$15	\$20	\$35	10%	50%
MH/SA Office Visit	\$10	\$15	\$20	\$35	10%	50%
Specialist Office Visit	\$20	\$25	\$40	\$80	20%	50%
Urgent Care	\$40	\$45	\$60	\$100	20%	50%
Ambulance	\$50	\$50	\$100	\$100	20%	50%
Rx Generic	\$5	\$5	\$12	\$20	\$10	\$12
Rx Preferred Brand	\$40	\$40	\$50	\$80	\$40	40%
Rx Non-Preferred Brand	50%	50%	50%	60%	50%	60%

Table 2
Blue Cross Blue Shield of Vermont
Non-Standard Plans

Deductible/OOP Max	Gold	Silver	Gold CDHP	Silver CDHP	Bronze CDHP
Type of Plan	Deductible		CDHP		
Medical Ded	\$1,250	\$2,000	\$1,250	\$2,000	\$4,500
Rx Ded	Combined	Combined	Combined	Combined	Combined
Integrated Ded	Yes	Yes	Yes	Yes	Yes
Medical OOPM	\$4,250	\$6,250	\$4,250	\$6,250	\$6,250
Rx OOPM	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250
Integrated OOPM	Yes	Yes	Yes	Yes	Yes
Family Ded / OOP	Aggregate, 2x Ind	Aggregate, 2x Ind	Aggregate, 2x Ind	Aggregate, 2x Ind	Aggregate, 2x Ind
Med Ded waived for:	Prev, 3 PCP/MH OV	Prev, 3 PCP/MH OV	Preventive Care	Preventive Care	Preventive Care
Drug Ded waived for:	N/A	N/A	Wellness Drugs	Wellness Drugs	Wellness Drugs
Service Category	Copay / Coinsurance				
Inpatient	\$500	\$1,750	\$500	\$1,750	50%
Outpatient	\$500	\$1,750	\$500	\$1,750	50%
ER	\$250	\$250	\$250	\$250	50%
Radiology (MRI, CT, PET)	\$500	\$1,750	\$500	\$1,750	50%
Preventive	\$0	\$0	\$0	\$0	0%
PCP Office Visit	3 visits/member combined PCP/MH at no cost share before deductible then \$20 copay	3 visits/member combined PCP/MH at no cost share before deductible then \$30 copay	\$20.00	\$30.00	50%
MH/SA Office Visit			\$20.00	\$30.00	50%
Specialist Office Visit	\$30	\$50	\$30	\$50	50%
Urgent Care	\$30	\$50	\$30	\$50	50%
Ambulance	\$30	\$50	\$30	\$50	50%
DME	\$30	\$50	\$30	\$50	50%
Rx Generic	\$5	\$5	\$5	\$5	\$25
Rx Preferred Brand	40%	40%	40%	40%	40%
Rx Non-Preferred Brand	60%	60%	60%	60%	60%

March 21, 2013

Ms. Lindsey Tucker
Deputy Commissioner, Health Benefit Exchange
Department of Vermont Health Access
Via Email Only

RE: State of Vermont Actuarial Value Certification for Standardized Plan Designs

Dear Lindsey:

The Affordable Care Act requires that health care coverage provided by issuers to non-grandfathered individual and small groups must cover all Essential Health Benefits (EHBs) and have Actuarial Values (AVs) that fall under the Platinum (90% AV), Gold (80% AV), Silver (70% AV) or Bronze (60% AV) tiers. The ACA allows for a 2% de minimis range. For example, any plan design that has an AV from 68-72%, would be considered a Silver plan. Center for Consumer Information and Insurance Oversight (CCIIO) recently released an Actuarial Value calculator (AVC)¹ that issuers must use to determine the AV of a plan. While CCIIO anticipates that most plans will be able to use the AVC without modification, some plan designs will have features which are not supported by the AVC. In these instances, an actuary can either modify the inputs to most closely represent the plan design or an actuary can modify the results of the AVC to account for the features not supported by the AVC. An actuarial certification documenting the development of the AV for these plan designs is required.

The State of Vermont (State) is standardizing several plan designs that all issuers in the Exchange must offer. Issuers must offer the standardized plan designs in both the individual and small group merged market. One Platinum, one Gold, two Silver and two Bronze standardized plan designs were developed for the Vermont Exchange. There is a traditional deductible plan at each of the metal levels and a High Deductible Health Plan (HDHP) at each of the Silver and Bronze levels. For each of the Silver standardized plan designs, the cost sharing reduction plan designs are also standardized. Since Vermont specific cost sharing subsidy amounts are still pending, cost sharing reduction plan (CSR) designs were developed at each of the 73% (federal), 77% (Vermont specific), 87% (federal) and 94% (federal) AV levels. A standardized plan design was not developed for Indians at or below 300% of the federal poverty level since cost sharing will be waived for these members and the plan design will be 100% coverage.

The State contracted with Wakely Consulting Group, Inc. (Wakely) to assist in the development of the standardized plan designs. Three of the standardized plan designs (and the HDHP cost sharing reduction plan designs) have features not supported by the AVC and thus an actuarial certification is required. In developing these standardized plan designs and the resulting actuarial certification, Wakely also followed applicable Actuarial Standards of Practice (ASOP) as detailed in Appendix C and including:

- ASOP No. 23 *Data Quality*;
- ASOP No. 25 *Credibility Procedures Applicable to Accident and Health, Group Term Life, and Property/Casualty Coverage*; and
- ASOP No. 41 *Actuarial Communications*.

¹ <http://cciio.cms.gov/resources/regulations/index.html>

EXECUTIVE SUMMARY

A summary of Vermont's standardized plan designs is in Appendix B. The Silver HDHP and both Bronze plans have design features that are both significant and not supported by the AVC. The Silver HDHP cost sharing reduction plan designs have similar features. While most plans have some subtleties in their design that are not supported by the AVC, CCHIO has stated and regulations dictate that modifications should be made only for substantial differences. The three potential substantial differences that Wakely identified include:

1. Family deductible and Maximum Out of Pockets (MOOPs). There are two common types of applications for deductibles and MOOPs, commonly referred to in Vermont as stacked and aggregate². The data supporting the AVC is only at the member level, and thus most closely resembles the stacked application of deductibles and MOOPs. Most HDHP plans use the aggregate application of deductible and MOOPs which can significantly lower the AV since a family of two would need to accumulate to a deductible that is twice that of a single contract. The impact is greater at higher deductible and MOOP amounts. Wakely had previously developed a model to account for aggregate family deductibles and thus, a specific adjustment has been made to the appropriate AVs for HDHPs.
2. Vermont recently implemented a regulation (H.559 Sec. 32. 8 V.S.A. § 4089) for prescription drug deductibles and MOOPs. The requirement mandates, in part, that the MOOP for prescription drug costs in any plan design shall not exceed the minimum deductible amount for HDHPs per Section 223(c)(2)(A)(i) of the Internal Revenue Code of 1986 (\$1250 and \$2500 for individual and family coverage in 2013). The requirement also states that for HDHPs the cost sharing benefit for prescription drugs must start after the minimum deductible amount for HDHPs (same \$1250 and \$2500 for individuals and family coverage) is met, but the amount may be met with either medical or prescription drug claims. This means that for all HDHPs, for purposes of prescription drug coverage, the deductible is considered met when accumulated medical and drug claims reach \$1250 for individual or \$2500 for family, regardless of what the medical deductible amount is. Similarly, the MOOP for only drug claims (including amounts used to accumulate to the deductible) is \$1250 or \$2500, regardless of the amount of the overall MOOP which will include both drug and medical claims.

Since for an integrated (medical and prescription drug combined) deductible and MOOP, only one amount is able to be input in the AVC, the value of the lower drug deductible and MOOP cannot be modeled in the AVC. This regulation has a significant impact on AV, particularly at

² Stacked deductibles and MOOPs are typical in traditional deductible plans where the individual deductible and MOOP apply to each member of a contract and the family deductible and MOOP is used as a protection for contracts where multiple members have claims. For example, if the family MOOP is two times the individual MOOP but three members of a contract all would have reached their individual MOOP, it limits the family's liability to two times the individual MOOP.

Aggregate deductible and MOOPs are typical in HDHPs where all claims for all members of a non-single contract accumulate to the family deductible and MOOP. For two person or family contracts where only one member has significant claims, the member still must reach the higher deductible and MOOP amounts which makes the average member liability higher under an aggregate deductible.

the lower AV tiers where the difference between the medical and prescription drug deductible and MOOP is greater. Wakely had previously developed a model to account for Vermont's prescription drug regulation and thus, where appropriate, a specific adjustment has been made to the AVs using this model.

3. In the current market, most Vermont HDHPs waive the deductible for preventive prescription drugs. This is another plan feature not currently supported by the AVC. While Wakely has a list of the drugs for which the deductible is waived, Wakely has not analyzed the exact portion of drugs this represents. The impact to AV would only apply to drug costs that would normally be incurred prior to the member reaching the deductible. Any costs after the deductible is met and after the MOOP is met, would be the similar to the AVC. It is possible that this design feature could have a significant impact on the AV. However the impact of this benefit is likely not enough to warrant an additional analysis. Based on some high level estimates, Wakely believes the maximum impact to AV for this design feature is approximately 0.5% with the likely expected impact to be half of that. Since Wakely did not have a way to quantify the exact adjustment of the preventive drug difference for HDHPs, Wakely did not make a specific adjustment but did make sure that any AVs developed were at least 0.5% below the high end of the de minimis range in order to account for this increased benefit.

In addition to the three features listed above, there are other potential design features for which adjustments could be made. However, given the expectation that adjustments be made for only the most substantive deviations, Wakely does not believe additional adjustments are warranted. It is also important to note that the bucketing of claims and the methodology used to calculate the AVC are not always clearly defined. Thus, at times it is difficult to ascertain whether an adjustment is warranted and how that adjustment would be estimated.

As stated, Wakely made explicit adjustments to account for the aggregate family deductible/MOOP and Vermont's prescription drug regulation. These adjustments are described in detail in the Methodology section. For the preventive prescription drug feature in the HDHPs, Wakely did not make an explicit adjustment but did allow room in the AV such that an increase of up to 0.5% would not result in the AV falling outside of the required range.

The following Table shows all plan designs for which adjustments were made, the adjustments considered, the original AV from the AVC, and the final adjusted AV.

Table 1: Summary of Adjustments Considered and Final Adjusted AVs

Adjustments Considered	Silver HDHP	Bronze HDHP	Bronze Deductible	Silver HDHP - CSR 73%	Silver HDHP - CSR 77%	Silver HDHP - CSR 87%	Silver HDHP - CSR 94%
Aggregate Ded/MOOP	Yes	Yes	No	Yes	Yes	Yes	Yes
Drug Regulation	Yes	Yes	Yes	Yes	Yes	No	No
Preventive Drugs	Yes	Yes	No	Yes	Yes	Yes	Yes
AV from AVC	70.3%	63.6%	59.8%	74.4%	78.6%	87.7%	93.9%
Final Adjusted AV	68.7%	60.9%	61.8%	72.8%	76.8%	87.2%	93.8%

METHODOLOGY

Since several of the standardized plan designs have features not supported by the AVC, Wakely developed an HDHP model to capture the impact of these features on the AV. It was anticipated that the AVC would not accommodate all of the Vermont plan design features and this model was developed several months prior to the draft AVC being released. While there are similarities in the data used (for example, only group data is included in both models), there are also differences (for example, the HDHP model includes all members regardless of duration while the AVC includes only members who are enrolled the full 12 months).

If a plan does have substantive differences than what the AVC allows, there are two allowed approaches defined in the federal regulations. The first allows the actuary to adjust the inputs of the plan design to “fit” it into the AVC. The second allows the actuary to put in as many of the design features as possible into the AVC and then adjust the resulting AV to account for the unique design features. Wakely determined the second approach was most appropriate for the Vermont plan design differences. Thus for the seven plan designs where adjustments were made, Wakely first input as much of the plan design as possible into the AVC and then modified the resulting AV to account for the unique features.

The following discusses the HDHP model that Wakely developed and the process used to adjust the actuarial values from the AVC.

HDHP Model

Anticipating the need to quantify some of Vermont’s unique plan design features, in mid-2012 Wakely developed an HDHP model that would account for both aggregate deductibles and MOOPs as well as quantify the impact of Vermont’s prescription drug regulation.

In developing the model Wakely was provided with membership and medical and pharmacy claims data extracts from the Vermont Healthcare Claims Uniform Reporting and Evaluation System (VHCURES). Filters were then applied to the data to target a specific population for the model and reduce the amount of records to work with. The data used included:

- Allowed commercial medical and prescription drug data that was incurred in 2010
- Products types HMO (non-Medicare risk), PPO, POS and EPO
- Used claims with a Useflag='0'
- All market categories except individual
- Limited to members in select payer ids

After all filters were applied, the remaining data included allowed claims and membership for approximately 2.5 million member months.

The methodology developed for the HDHP model does not use the traditional approach of continuance tables. When determining the paid claims and resulting actuarial value of the plan designs where the prescription drug regulation is a factor, the order in which the claims occur is important. Continuance tables fail to recognize the impact of the order of the claims on actuarial values. Thus, the HDHP model re-prices the claims based on the inputs provided in the model rather than rely on continuance tables.

The HDHP model allows a user to enter the following:

- Medical and Prescription drug deductible amounts for both individual and family contracts. These amounts can differ but the model assumes the amounts are always integrated, or that both medical and drug claims will accumulate to both deductibles, even if different amounts.
- Medical and prescription drug maximum out of pocket amounts for both individual and family contracts. These amounts can differ and the model allows for different treatment of the MOOPs as noted below.
- Medical and prescription drug coinsurance amounts. If the plan design includes copays, an effective coinsurance needs to be input.
- The structure of the deductibles and MOOPs. As can be seen in the table below, the model can distinguish between aggregate and stacked deductibles and MOOPs. It also allows for different accumulations of claims to the medical and prescription drug MOOPs. There are five structural selections available in the model, described in the table below. Option 5 is most closely aligned to the federal AVC. Option 1 represents the design of the Vermont HDHPs.

Options	Costs that Accumulate			Deductible / MOOP Type
	Deductible	Maximum Out-of-Pocket (MOOP)		
		Medical	Rx	
1	Medical & Rx	Medical & Rx	Rx Only	Aggregate
2	Medical & Rx	Medical & Rx	Rx Only	Stacked
3	Medical & Rx	Medical Only	Rx Only	Aggregate
4	Medical & Rx	Medical Only	Rx Only	Stacked
5	Medical & Rx	Medical & Rx	Medical & Rx	Stacked

Adjusted AV Calculations

Using the federal AV calculator and the HDHP model as outlined above, the following methodology was used to develop the adjusted AV calculations for the HDHPs:

1. The plan designs were entered into the AVC ignoring the separate prescription drug deductible and MOOP thresholds. The resulting AV is the unadjusted value, which does not account for the prescription drug regulations or the aggregate family deductible and MOOP levels.
2. The HDHP model was used to determine the revised AV.
 - a. The same plan design input into the AVC was input into the HDHP model. The HDHP model only allows for coinsurance. Since the HDHP designs include copays, an effective coinsurance was developed for each plan design. The effective coinsurance amounts were developed separately for medical and prescription drug services using the allowed weights and average cost per service from the federal AVC continuance tables for the relevant metal tier.
 - b. The HDHP model was normalized to the AVC for each plan design. This means the same plan design, ignoring the prescription drug thresholds and assuming a stacked family deductible and MOOP, was input into the HDHP model and the underlying data was adjusted to arrive at the same AV as the AVC. This was done to ensure the same starting AV in both models and to try to mirror the induced utilization in the AVC. The normalization factors were reviewed for reasonability and deemed reasonable given they

are accounting for trend, regional differences in cost and utilization and induced utilization.

- c. The plan design in the HDHP model was adjusted to lower the prescription drug deductible and MOOP inputs (if applicable) to the appropriate plan design amounts. The application of deductible and MOOP was also changed to use an aggregate family deductible and MOOP and also to adjust the prescription drug MOOP to only consider prescription drug claims (the medical MOOP amount continues to use both medical and prescription drug claims).
3. The resulting AV from the HDHP model is used as the final AV for tier placement.

The HDHP model was intended only for HDHPs where medical and drug claims both accumulate to the deductible. The Bronze deductible plan needs to be adjusted to account for the lower prescription drug MOOP, but the deductible plan has separate medical and drug deductibles. Thus, the HDHP model was used but with a slight variation in methodology. The following highlight the differences in methodology used only for the Bronze Deductible plan.

1. Same as for HDHPs, as much of the plan design as possible was entered into the AVC. This is the unadjusted AV. The bronze deductible plan needs to be adjusted only to account for the lower and separate prescription drug MOOP.
2. The HDHP model was used to develop the AV adjustments in a slightly different process than for the HDHPs.
 - a. Instead of normalizing the HDHP model to the AVC, the normalization factor for the Bronze HDHP was used.
 - b. The HDHP model cannot accommodate plan designs where both medical and drug claims do not accumulate to the deductible. Thus, the same plan design was entered into the HDHP model as in the AVC but the model selection indicated that both medical and drug claims accumulated to the deductible amounts.
 - c. The HDHP model was then re-run with the lower drug MOOP and to adjust the prescription drug MOOP to only consider prescription drug claims (the medical MOOP amount continues to use both medical and prescription drug claims). The model continued to use a stacked application for deductible and MOOP since it is a traditional deductible plan.
3. The final AV is the ratio of the AV from 2c and 2b applied to the AV from the AVC in 1.

Appendix D includes screen shots from the AVC and the HDHP model for each plan design with an adjusted actuarial value. Also included is a summary of the AVs and in the instance of the Bronze Deductible plan, a calculation of the adjustment.

RELIANCES

We have relied on others for information used in the actuarial value adjustments. For the original AV, the federal AVC model was relied on. While reasonability tests have shown some errors in the calculations and there are some assumptions and methodologies that are not consistent with expectations, the AVC was developed for plan classification and not pricing. Thus, the model is being used as such and we make no warranties for the accuracy of the AVs that result from the AVC.

VHCURES data supplied by the state was used in the development of the HDHP model. We have reviewed the data for reasonableness, but have not performed any independent audit or otherwise verified the accuracy of the data/information.

The plan designs and actuarial values were based on federal and state regulations as of March 15, 2013. Some of the regulations are pending while others are final but still in the comment period. To the extent any regulations change significantly, the plan designs and actuarial values could also change.

DISCLOSURES AND LIMITATIONS

Wakely is financially and organizationally independent from the State of Vermont and any issuer in the state.

Wakely does not warrant or guarantee that actual experience will tie to the AV estimated for the placement of plan designs into tiers. The developed actuarial values are for the purposes of classifying plan designs of similar value and do not represent the expected actuarial value of a plan. Actual AVs will vary based on a plan's specific utilization, unit cost and other variables.

The distribution of this report to other users is limited to the State of Vermont and issuers within that state that will be submitting standardized plan designs. Distribution to such parties should be made in its entirety. Distribution to other parties should only be made with Wakely's consent.

Exhibit A contains the formal actuarial certification. If you have any questions regarding this letter or the certification, please contact me.

Sincerely,



Julie A. Peper, FSA, MAAA
Director and Senior Consulting Actuary

APPENDIX A

**Actuarial Certification
State of Vermont
Actuarial Value of Standardized Plan Designs
Effective January 1, 2014**

I, Julie A. Peper, am associated with the firm of Wakely Consulting Group, Inc. (Wakely), am a Fellow of the Society of Actuaries and a member of the American Academy of Actuaries, and meet its Qualification Standards for Statements of Actuarial Opinion. Wakely was retained by the State of Vermont to provide a certification of the actuarial value of the state's standardized plan designs that are effective January 1, 2014 on the Exchange. This certification may not be appropriate for other purposes.

To the best of my information, knowledge and belief, the actuarial values provided with this certification are considered actuarially sound for purposes of § 156.135(b), according to the following criteria:

- The Actuarial Value calculator was used to determine the AV for the plan provisions that fit within the calculator parameters;
- Appropriate adjustments were calculated, to the AV identified by the calculator, for plan design features that deviate substantially from the parameters of the AV calculator;
- The actuarial values have been developed in accordance with generally accepted actuarial principles and practices; and
- The actuarial values meet the requirements of § 156.135(b).

The assumptions and methodology used to development the actuarial values have been documented in my correspondence with the State of Vermont. The actuarial values associated with this certification are for standardized plan designs (Silver HDHP, Bronze HDHP, Bronze Deductible, Silver HDHP CSR 73%, Silver HDHP CSR 77%, Silver HDHP CSR 87% and Silver HDHP CSR 94%) that will be effective as of January 1, 2014 on the Vermont Exchange.

The developed actuarial values are for the purposes of classifying plan designs of similar value and do not represent the expected actuarial value of a plan. Actual AVs will vary based on a plan's specific utilization, unit cost and other variables.

In developing the actuarial values, I have relied upon the federal Actuarial Value calculator and data from the Vermont Healthcare Claims Uniform Reporting and Evaluation System (VHCURES). I did not audit the data provided; however, I did review the data for reasonableness and consistency.

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Actuarial methods, considerations, and analyses used in forming my opinion conform to the appropriate Standards of Practice as promulgated from time-to-time by the Actuarial Standards Board, whose standards form the basis of this Statement of Opinion.



Julie A. Peper, FSA, MAAA
March 19, 2013

APPENDIX B
Standardized Plan Designs

Deductible/OOP Max	Deductible Plans				HDHPs	
	Platinum	Gold	Silver	Bronze	Silver	Bronze
Type of Plan	Deductible	Deductible	Deductible	Deductible	HSA Q/HDHP	HSA Q/HDHP
Medical Ded	\$150	\$750	\$1,900	\$3,500	\$1,550	\$2,000
Rx Ded	\$0	\$50	\$100	\$200	\$1,250	\$1,250
Integrated Ded	No	No	No	No	Yes	Yes
Medical OOPM	\$1,250	\$4,250	\$5,150	\$6,400	\$5,750	\$6,250
Rx OOPM	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250
Integrated OOPM	No	No	No	Rx -No, Medical - Yes	Rx -No, Medical - Yes	Rx -No, Medical - Yes
Family Deductible / OOP	Stacked, 2x Individual	Stacked, 2x Individual	Stacked, 2x Individual	Stacked, 2x Individual	Aggregate, 2x Individual	Aggregate, 2x Individual
Medical Deductible waived for:	Prev, OV, UC, Amb, ER	Prev, OV, UC, Amb, ER	Prev, OV, UC, Amb	Preventive	Preventive	Preventive
Drug Deductible waived for:	N/A	Generic scripts	Generic scripts	Applies to all scripts	Wellness scripts	Wellness scripts
Service Category	Copay / Coinsurance	Copay / Coinsurance	Copay / Coinsurance	Copay / Coinsurance	Copay / Coinsurance	Copay / Coinsurance
Inpatient ¹	10%	20%	40%	50%	20%	50%
Outpatient ²	10%	20%	40%	50%	20%	50%
ER ³	\$100	\$150	\$250	50%	20%	50%
Radiology (MRI, CT, PET)	10%	20%	40%	50%	20%	50%
Preventive	\$0	\$0	\$0	\$0	0%	0%
PCP Office Visit	\$10	\$15	\$20	\$35	10%	50%
MH/SA Office Visit	\$10	\$15	\$20	\$35	10%	50%
Specialist Office Visit ⁴	\$20	\$25	\$40	\$80	20%	50%
Urgent Care	\$40	\$45	\$60	\$100	20%	50%
Ambulance	\$50	\$50	\$100	\$100	20%	50%
Rx Generic	\$5	\$5	\$12	\$20	\$10	\$12
Rx Preferred Brand	\$40	\$40	\$50	\$80	\$40	40%
Rx Non-Preferred Brand	50%	50%	50%	60%	50%	60%
Actuarial Value						
Federal AVC, Adjusted if Necessary	88.1%	80.2%	71.8%	61.8%	68.7%	60.9%

¹ Inpatient includes surgery, ICU/NICU, maternity, SNF and MH/SA. This cost sharing will also include physician and anesthesia costs, as appropriate.

² Outpatient includes ASCs. This cost sharing will also include physician and anesthesia costs, as appropriate.

³ ER copay is waived if admitted.

⁴ Specialist copay also applies to P/T/ST/OT, vision, and any alternative medicine benefits, as appropriate.

Standardized Plan Designs – Cost Sharing Reduction Plans (Deductibles)

Deductible/OOP Max	Cost Sharing Reduction Plan Designs - Deductible Plans				
	300% FPL + (70% AV)	250-300% FPL (73% AV)	200-250% FPL (77% AV)	150-200% FPL (87% AV)	133-150% FPL (94% AV)
Type of Plan	Deductible	Deductible	Deductible	Deductible	Deductible
Medical Ded	\$1,900	\$1,900	\$1,500	\$750	\$100
Rx Ded	\$100	\$100	\$100	\$100	\$0
Integrated Ded	No	No	No	No	No
Medical OOPM	\$5,150	\$4,000	\$3,000	\$1,250	\$500
Rx OOPM	\$1,250	\$1,200	\$1,000	\$400	\$200
Integrated OOPM	No	No	No	No	No
Family Deductible / OOP	Stacked, 2x Individual	Stacked, 2x Individual	Stacked, 2x Individual	Stacked, 2x Individual	Stacked, 2x Individual
Medical Deductible waived for:	Prev, OV, UC, Amb	Prev, OV, UC, Amb	Prev, OV, UC, Amb	Prev, OV, UC, Amb	Prev, OV, UC, Amb
Drug Deductible waived for:	Generic scripts	Generic scripts	Generic scripts	Generic scripts	N/A
Service Category	Copay / Coinsurance	Copay / Coinsurance	Copay / Coinsurance	Copay / Coinsurance	Copay / Coinsurance
Inpatient ¹	40%	40%	40%	40%	10%
Outpatient ²	40%	40%	40%	40%	10%
ER ³	\$250	\$250	\$250	\$250	\$75
Radiology (MRI, CT, PET)	40%	40%	40%	40%	10%
Preventive	\$0	\$0	\$0	\$0	\$0
PCP Office Visit	\$20	\$20	\$20	\$10	\$5
MH/SA Office Visit	\$20	\$20	\$20	\$10	\$5
Specialist Office Visit ⁴	\$40	\$40	\$40	\$30	\$15
Urgent Care	\$60	\$60	\$60	\$50	\$35
Ambulance	\$100	\$100	\$100	\$100	\$50
Rx Generic	\$12	\$12	\$12	\$10	\$5
Rx Preferred Brand	\$50	\$50	\$50	\$50	\$20
Rx Non-Preferred Brand	50%	50%	50%	50%	30%
Actuarial Value					
Federal AVC, Adjusted if Necessary	71.8%	74.0%	76.9%	87.0%	94.0%

¹ Inpatient includes surgery, ICU/NICU, maternity, SNF and MH/SA. This cost sharing will also include physician and anesthesia costs, as appropriate.

² Outpatient includes ASCs. This cost sharing will also include physician and anesthesia costs, as appropriate.

³ ER copay is waived if admitted.

⁴ Specialist copay also applies to PT/ST/OT, vision, and any alternative medicine benefits, as appropriate.

Standardized Plan Designs – Cost Sharing Reduction Plans (HDHPs)

Deductible/OOP Max	Cost Sharing Reduction Plan Designs - HDHPs				
	300% FPL + (70% AV)	250-300% FPL (73% AV)	200-250% FPL (77% AV)	150-200% FPL (87% AV)	133-150% FPL (94% AV)
Type of Plan	HSA Q/HDHP	HSA Q/HDHP	HSA Q/HDHP	Deductible (NOT HSAQ)	Deductible (NOT HSAQ)
Medical Ded	\$1,550	\$1,400	\$1,250	\$1,000	\$450
Rx Ded	\$1,250	\$1,250	N/A	N/A	N/A
Integrated Ded	Yes	Yes	Yes	Yes	Yes
Medical OOPM	\$5,750	\$3,400	\$2,500	\$1,000	\$450
Rx OOPM	\$1,250	\$1,250	\$1,250	N/A	N/A
Integrated OOPM	Rx -No, Medical - Yes	Yes	Yes	Yes	Yes
Family Deductible / OOP	Aggregate, 2x Individual	Aggregate, 2x Individual	Aggregate, 2x Individual	Aggregate, 2x Individual	Aggregate, 2x Individual
Medical Deductible waived for:	Preventive	Preventive	Preventive	Preventive	Preventive
Drug Deductible waived for:	Wellness scripts	Wellness scripts	Wellness scripts	Wellness scripts	Wellness scripts
Service Category	Copay / Coinsurance				
Inpatient ¹	20%	20%	20%	0%	0%
Outpatient ²	20%	20%	20%	0%	0%
ER ³	20%	20%	20%	0%	0%
Radiology (MRI, CT, PET)	20%	20%	20%	0%	0%
Preventive	0%	0%	0%	0%	0%
PCP Office Visit	10%	10%	10%	0%	0%
MH/SA Office Visit	10%	10%	10%	0%	0%
Specialist Office Visit ⁴	20%	20%	20%	0%	0%
Urgent Care	20%	20%	20%	0%	0%
Ambulance	20%	20%	20%	0%	0%
Rx Generic	\$10	\$10	\$5	\$0	\$0
Rx Preferred Brand	\$40	\$40	\$30	\$0	\$0
Rx Non-Preferred Brand	50%	50%	50%	0%	0%
Actuarial Value					
Federal AVC, Adjusted if Necessary	68.7%	72.8%	76.8%	87.2%	93.8%

¹ Inpatient includes surgery, ICU/NICU, maternity, SNF and MH/SA. This cost sharing will also include physician and anesthesia costs, as appropriate.

² Outpatient includes ASCs. This cost sharing will also include physician and anesthesia costs, as appropriate.

³ ER copay is waived if admitted.

⁴ Specialist copay also applies to PT/ST/OT, vision, and any alternative medicine benefits, as appropriate.

APPENDIX C

Comments Relative to Applicable ASOPs

This appendix includes comments relative to the following applicable Actuarial Standards of Practice (ASOP).

- ASOP No. 23, *Data Quality*;
- ASOP No. 25, *Credibility Procedures Applicable to Accident and Health, Group Term Life, and Property/Casualty Coverages*; and
- ASOP No. 41, *Actuarial Communications*.

ASOP 23: Data Quality

3.1 Overview – VHCURES data was used as the basis for the HDHP model and this data source was deemed reasonable for the analysis discussed in the management report.

3.2 Selection of Data - The data was considered reasonable for our analysis subject to the following considerations -

- a. The data sources contained all material data elements.
- b. The following considerations were reviewed as part of our analysis:
 1. Data was appropriate and sufficiently current. The data was for similar/same populations and the most applicable data set available.
 2. Data was reasonable and comprehensive of the necessary data elements.
 3. There were no known, material limitations of the data.
 4. No alternative data sets were reasonably available. The reliability of the data underlying our analysis did not require support from alternative data sets.
 5. Alternative data sets were not deemed necessary to complete the analysis.
 6. Sampling methods were not required.

3.3 Reliance on Data Supplied by Others - Reliance is discussed in the management report to which this appendix is attached.

3.4 Reliance on Other Information Relevant to the Use of Data - We relied on information contained in the report. We did not detect any material errors in the data provided and relied upon the data as part of our analysis.

3.5 Review of Data - We reviewed the data. Data definitions were included as part of the VHCURES data. Ultimately the data was reasonable with the adjustments discussed in our management report.

3.6 Limitation of the Actuary's Responsibility - We did not audit the data.

3.7 Use of Data– Use and adjustments to the data are discussed in this management report. In addition:

- a. We deem that the data are of sufficient quality to perform the analysis;
- b. The data did not require enhancement before the analysis could be performed
- c. The data was reasonable for the analysis and did not require adjustment beyond that discussed in the management report;
- d. We did not detect any material defects in any data source;
- e. The data were adequate to perform our analysis.

ASOP 25: Credibility Procedures

The HDHP model uses data as its starting point. The experience used is fully credible and therefore no credibility blending or adjustments were necessary.

ASOP41: Actuarial Communications

This report and the actuarial memorandum submitted are consistent with the guidance in ASOP 41.

3.1 General Requirements for Actuarial Communications

3.1.1 Principal and Scope of Engagement – These results were developed to comply with § 156.135(b) and should not be used for any other purpose. The distribution of this report to other users is limited to the State of Vermont.

3.1.2 Form and Content – The State of Vermont was the principal for this engagement and the scope of the engagement included developing and certifying the actuarial values for the standardized plan designs as discussed in the management report.

3.1.3 Timing of Communication – This report is provided in conjunction with the actuarial certification of the submitted actuarial values.

3.1.4 Identification of Responsible Actuary – The responsible actuary is identified in the attestation and this management report.

3.2 Actuarial Report – This management report is an Actuarial Report as defined in this ASOP. Correspondence between Wakely and the State of Vermont as part of this engagement should also be considered part of the Actuarial Report.

3.3 Specific Circumstances – No constraints apply beyond any discussed in the attachment management report.

3.4 Disclosures Within an Actuarial Report - all relevant disclosures have been made in the management report. Consistent with this ASOP, we make specific mention to the following items here:

3.4.1 Uncertainty or Risk – Uncertainty is discussed in the management report.

3.4.2 Conflict of Interest – Wakely is financially, organizationally, and otherwise independent from the State of Vermont and any reliant parties.

3.4.3 Reliance on Other Sources for Data and Other Information - Reliance regarding data and assumptions are discussed in this management report.

3.4.4 Responsibility for Assumptions and Methods - Assumptions and methods are discussed in the management report and the parties associated with the assumptions and methods have been delineated. Therefore, pursuant to this ASOP, no additional disclosure is necessary.

3.4.5 Information Date of Report -The management report list the applicable dates for the analysis and correspondence.

3.4.6 Subsequent Events - There are no subsequent events, as of the date of this report that would materially affect the results presented herein.

3.5 Explanation of Material Differences - Wakely has issued no other report regarding the development of these actuarial values. No comparison to prior results is necessary.

3.6 Oral Communications - No oral communication is considered part of this actuarial report. Any material assumptions or methods discussed in oral communications have been documented in written form as well.

3.7 Responsibility to Other Users - Intended users of this report have been specifically noted in the document.

Appendix D

Screen shots and AV Development

1. Silver HDHP
2. Bronze HDHP
3. Bronze Deductible Plan
4. Silver HDHP CSR – 73%
5. Silver HDHP CSR – 77%
6. Silver HDHP CSR – 87%
7. Silver HDHP CSR – 94%

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1. Silver HDHP

AV from AVC = 70.3%

Adjusted AV = 68.7%

AVC Screen Shot:

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible? ☒
Apply Inpatient Copay per Day? ☐
Apply Skilled Nursing Facility Copay per Day? ☐
Use Separate OOP Maximum for Medical and Drug Spending? ☐
Indicate if Plan Meets CSR Standard? ☐
Desired Metal Tier: Silver

HSA/HRA Options		Narrow Network Options	
HSA/HRA Employer Contribution?	<input type="checkbox"/>	Blended Network/POS Plan?	<input type="checkbox"/>
Annual Contribution Amount:		1st Tier Utilization: 2nd Tier Utilization:	

Tier 1 Plan Benefit Design			Tier 2 Plan Benefit Design		
Medical	Drug	Combined	Medical	Drug	Combined
		\$1,550.00			
		80.00%			
		\$5,750.00			

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Type of Benefit	Tier 1				Tier 2			
	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate
Medical	<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All			<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All		
Emergency Room Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
All Inpatient Hospital Services (inc. MHSA)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	90%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Specialist Visit	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Mental/Behavioral Health and Substance Abuse Disorder Outpatient Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	90%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Imaging (CT/PET Scans, MRIs)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Rehabilitative Speech Therapy	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Rehabilitative Occupational and Rehabilitative Physical Therapy	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Preventive Care/Screening/Immunization	<input type="checkbox"/>	<input type="checkbox"/>	100%	\$0.00	<input type="checkbox"/>	<input type="checkbox"/>	100%	\$0.00
Laboratory Outpatient and Professional Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
X-rays and Diagnostic Imaging	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Skilled Nursing Facility	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Outpatient Surgery Physician/Surgical Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Drugs	<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All			<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All		
Generics	<input checked="" type="checkbox"/>	<input type="checkbox"/>		\$10.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Preferred Brand Drugs	<input checked="" type="checkbox"/>	<input type="checkbox"/>		\$40.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Non-Preferred Brand Drugs	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	50%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Specialty Drugs (i.e. high-cost)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	50%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	<input type="checkbox"/>
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	<input type="checkbox"/>
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	<input type="checkbox"/>
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	<input type="checkbox"/>
# Copays (1-10):	

Output

Calculate

Status/Error Messages:
Actuarial Value: 70.3%
Metal Tier: Silver

Calculation Successful.
70.3%
Silver

1. Silver HDHP, Continued

HDHP Model – Normalization:

Inputs				
<p>Enter values in the blue cells below, choose a setting option from the drop down box, and press 'Calculate'.</p> <p>Press 'Calculate' anytime an input or dropdown selection is changed.</p> <p>Note that the model run-time will vary based on the computers processing speed.</p> <p>A message box will appear to indicate that the calculations are done.</p>				
		Medical	Rx	
Individual Deductible		1,550	1,550	
Family Deductible		3,100	3,100	
Individual Out-of-Pocket		5,750	5,750	
Family Out-of-Pocket		11,500	11,500	
Coinsurance (50% or Less)		18%	33%	
Costs that Accumulate				
		OOP		
		Deductible	Medical	Rx
				Deductible / OOP Type
Settings	Medical & Rx	Medical & Rx	Medical & Rx	Stacked <input type="button" value="v"/>
<div>Calculate</div>				
Results				
		Medical	Rx	Total
Allowed PMPM		\$201.61	\$50.40	\$252.01
Plan PMPM		\$148.76	\$28.45	\$177.21
Actuarial Value		73.8%	56.4%	70.3%

1. Silver HDHP, Continued

HDHP Model – Adjusted Actuarial Value:

Inputs				
Enter values in the blue cells below, choose a setting option from the drop down box, and press 'Calculate'.				
Press 'Calculate' anytime an input or dropdown selection is changed.				
Note that the model run-time will vary based on the computers processing speed.				
A message box will appear to indicate that the calculations are done.				
		Medical	Rx	
Individual Deductible		1,550	1,250	
Family Deductible		3,100	2,500	
Individual Out-of-Pocket		5,750	1,250	
Family Out-of-Pocket		11,500	2,500	
Coinsurance (50% or Less)		18%	33%	
Costs that Accumulate				
		OOP		Deductible /
		Deductible	Medical	Rx
Settings	Medical & Rx	Medical & Rx	Rx Only	Aggregate <input type="button" value="v"/>
<div style="border: 1px solid black; background-color: #4f81bd; color: white; padding: 10px; display: inline-block; margin: 10px;">Calculate</div>				
Results				
		Medical	Rx	Total
Allowed PMPM		\$201.61	\$50.40	\$252.01
Plan PMPM		\$140.46	\$32.61	\$173.08
Actuarial Value		69.7%	64.7%	68.7%

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2. Bronze HDHP

AV from AVC = 63.6%

Adjusted AV = 60.9%

AVC Screen Shot:

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible? ☒

Apply Inpatient Copay per Day? ☐

Apply Skilled Nursing Facility Copay per Day? ☐

Use Separate OOP Maximum for Medical and Drug Spending? ☐

Indicate if Plan Meets CSR Standard? ☐

Desired Metal Tier: **Bronze**

HSA/HRA Options		Narrow Network Options	
HSA/HRA Employer Contribution?	<input type="checkbox"/>	Blended Network/POS Plan?	<input type="checkbox"/>
Annual Contribution Amount:		1st Tier Utilization:	
		2nd Tier Utilization:	

Tier 1 Plan Benefit Design			Tier 2 Plan Benefit Design		
Medical	Drug	Combined	Medical	Drug	Combined
		\$2,000.00			
		50.00%			
		\$6,250.00			

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Type of Benefit	Tier 1				Tier 2			
	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate
Medical	<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All			<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All		
Emergency Room Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
All Inpatient Hospital Services (inc. MHSA)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Specialist Visit	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Mental/Behavioral Health and Substance Abuse Disorder Outpatient Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Imaging (CT/PET Scans, MRIs)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Rehabilitative Speech Therapy	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Rehabilitative Occupational and Rehabilitative Physical Therapy	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Preventive Care/Screening/Immunization	<input type="checkbox"/>	<input type="checkbox"/>	100%	\$0.00	<input type="checkbox"/>	<input type="checkbox"/>	100%	\$0.00
Laboratory Outpatient and Professional Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
X-rays and Diagnostic Imaging	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Skilled Nursing Facility	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Outpatient Surgery Physician/Surgical Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Drugs	<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All			<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All		
Generics	<input checked="" type="checkbox"/>	<input type="checkbox"/>		\$12.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Preferred Brand Drugs	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	60%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Non-Preferred Brand Drugs	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	40%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Specialty Drugs (i.e. high-cost)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	40%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	<input type="checkbox"/>
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	<input type="checkbox"/>
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	<input type="checkbox"/>
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	<input type="checkbox"/>
# Copays (1-10):	

Output

Status/Error Messages:

Actuarial Value:

Metal Tier:

Error: Result is outside of +/- 2 percent de minimis variation.
63.6%

2. Bronze HDHP, Continued

HDHP Model – Normalization:

Inputs				
Enter values in the blue cells below, choose a setting option from the drop down box, and press 'Calculate'.				
Press 'Calculate' anytime an input or dropdown selection is changed.				
Note that the model run-time will vary based on the computers processing speed.				
A message box will appear to indicate that the calculations are done.				
		Medical	Rx	
Individual Deductible		2,000	2,000	
Family Deductible		4,000	4,000	
Individual Out-of-Pocket		6,250	6,250	
Family Out-of-Pocket		12,500	12,500	
Coinsurance (50% or Less)		50%	45%	
Costs that Accumulate				
		OOP		Deductible /
		Deductible	Medical	Rx
		OOP Type		
Settings	Medical & Rx	Medical & Rx	Medical & Rx	Stacked <input type="button" value="v"/>
<div style="border: 1px solid black; border-radius: 10px; background-color: #4f81bd; color: white; padding: 10px 40px; display: inline-block; margin: 10px 0;">Calculate</div>				
Results				
		Medical	Rx	Total
	Allowed PMPM	\$236.89	\$59.22	\$296.11
	Plan PMPM	\$156.43	\$31.76	\$188.19
	Actuarial Value	66.0%	53.6%	63.6%

2. Bronze HDHP, Continued

HDHP Model – Adjusted Actuarial Value:

Inputs				
<i>Enter values in the blue cells below, choose a setting option from the drop down box, and press 'Calculate'.</i>				
<i>Press 'Calculate' anytime an input or dropdown selection is changed.</i>				
<i>Note that the model run-time will vary based on the computers processing speed.</i>				
<i>A message box will appear to indicate that the calculations are done.</i>				
		Medical	Rx	
Individual Deductible		2,000	1,250	
Family Deductible		4,000	2,500	
Individual Out-of-Pocket		6,250	1,250	
Family Out-of-Pocket		12,500	2,500	
Coinsurance (50% or Less)		50%	45%	
Costs that Accumulate				
			OOP	Deductible /
		Deductible	Medical	Rx
				OOP Type
Settings	Medical & Rx	Medical & Rx	Rx Only	Aggregate <input type="button" value="v"/>
<div style="border: 1px solid black; background-color: #4f81bd; color: white; padding: 10px; display: inline-block; margin: 10px;"> Calculate </div>				
Results				
		Medical	Rx	Total
Allowed PMPM		\$236.89	\$59.22	\$296.11
Plan PMPM		\$141.48	\$38.92	\$180.41
Actuarial Value		59.7%	65.7%	60.9%

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3. Bronze Deductible

AV from AVC = 59.8%

Adjustment = HDHP Model with drug adjustments / HDHP Model without drug adjustments =
62.6%/60.6% = 1.033

Adjusted AV = 59.8% x 1.033 = 61.8%

AVC Screen Shot:

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible? ☐

Apply Inpatient Copay per Day? ☐

Apply Skilled Nursing Facility Copay per Day? ☐

Use Separate OOP Maximum for Medical and Drug Spending? ☐

Indicate if Plan Meets CSR Standard? ☐

Desired Metal Tier: Bronze

HSA/HRA Options			Narrow Network Options	
HSA/HRA Employer Contribution?	<input type="checkbox"/>		Blended Network/POS Plan?	<input type="checkbox"/>
Annual Contribution Amount:			1st Tier Utilization:	
			2nd Tier Utilization:	

Tier 1 Plan Benefit Design				Tier 2 Plan Benefit Design		
	Medical	Drug	Combined	Medical	Drug	Combined
Deductible (\$)	\$3,500.00	\$200.00				
Coinsurance (% , Insurer's Cost Share)	50.00%	40.00%				
OOP Maximum (\$)	\$6,400.00					
OOP Maximum if Separate (\$)						

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Type of Benefit	Tier 1				Tier 2			
	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate
Medical	<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All			<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All		
Emergency Room Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
All Inpatient Hospital Services (inc. MHSA)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	<input checked="" type="checkbox"/>	<input type="checkbox"/>		\$35.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Specialist Visit	<input checked="" type="checkbox"/>	<input type="checkbox"/>		\$80.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Mental/Behavioral Health and Substance Abuse Disorder Outpatient Services	<input checked="" type="checkbox"/>	<input type="checkbox"/>		\$35.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Imaging (CT/PET Scans, MRIs)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Rehabilitative Speech Therapy	<input checked="" type="checkbox"/>	<input type="checkbox"/>		\$80.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Rehabilitative Occupational and Rehabilitative Physical Therapy	<input checked="" type="checkbox"/>	<input type="checkbox"/>		\$80.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Preventive Care/Screening/Immunization	<input type="checkbox"/>	<input type="checkbox"/>	100%	\$0.00	<input type="checkbox"/>	<input type="checkbox"/>	100%	\$0.00
Laboratory Outpatient and Professional Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
X-rays and Diagnostic Imaging	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Skilled Nursing Facility	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Outpatient Surgery Physician/Surgical Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Drugs	<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All			<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All		
Generics	<input checked="" type="checkbox"/>	<input type="checkbox"/>		\$20.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Preferred Brand Drugs	<input checked="" type="checkbox"/>	<input type="checkbox"/>		\$80.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Non-Preferred Brand Drugs	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Specialty Drugs (i.e. high-cost)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	<input type="checkbox"/>
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	<input type="checkbox"/>
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	<input type="checkbox"/>
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	<input type="checkbox"/>
# Copays (1-10):	

Output


Status/Error Messages: Calculation Successful.

Actuarial Value: 59.8%

Metal Tier: Bronze

3. Bronze Deductible, Continued

HDHP Model – Without Prescription Drug Adjustments:

Inputs				
Enter values in the blue cells below, choose a setting option from the drop down box, and press 'Calculate'.				
Press 'Calculate' anytime an input or dropdown selection is changed.				
Note that the model run-time will vary based on the computers processing speed.				
A message box will appear to indicate that the calculations are done.				
		Medical	Rx	
Individual Deductible		3,500	200	
Family Deductible		7,000	400	
Individual Out-of-Pocket		6,400	6,400	
Family Out-of-Pocket		12,800	12,800	
Coinsurance (50% or Less)		48%	57%	
Costs that Accumulate				
		OOP		Deductible /
		Deductible	Medical	Rx
				OOP Type
Settings	Medical & Rx	Medical & Rx	Medical & Rx	Stacked 
<div style="border: 1px solid black; border-radius: 10px; background-color: #4f81bd; color: white; padding: 10px 40px; display: inline-block; margin: 10px 0;">Calculate</div>				
Results				
		Medical	Rx	Total
Allowed PMPM		\$236.89	\$59.22	\$296.11
Plan PMPM		\$145.02	\$34.32	\$179.34
Actuarial Value		61.2%	57.9%	60.6%

3. Bronze Deductible, Continued

HDHP Model – With Prescription Drug Adjustments:

Inputs				
Enter values in the blue cells below, choose a setting option from the drop down box, and press 'Calculate'.				
Press 'Calculate' anytime an input or dropdown selection is changed.				
Note that the model run-time will vary based on the computers processing speed.				
A message box will appear to indicate that the calculations are done.				
		Medical	Rx	
Individual Deductible		3,500	200	
Family Deductible		7,000	400	
Individual Out-of-Pocket		6,400	1,250	
Family Out-of-Pocket		12,800	2,500	
Coinsurance (50% or Less)		48%	57%	
Costs that Accumulate				
			OOP	Deductible /
		Deductible	Medical	Rx
				OOP Type
Settings	Medical & Rx	Medical & Rx	Rx Only	Stacked <input type="button" value="v"/>
<input type="button" value="Calculate"/>				
Results				
		Medical	Rx	Total
Allowed PMPM		\$236.89	\$59.22	\$296.11
Plan PMPM		\$142.52	\$42.78	\$185.30
Actuarial Value		60.2%	72.2%	62.6%

4. Silver HDHP CSR – 73%

AV from AVC = 74.4%

Adjusted AV = 72.8%

AVC Screen Shot:

User Inputs for Plan ParametersUse Integrated Medical and Drug Deductible? ☒Apply Inpatient Copay per Day? ☐Apply Skilled Nursing Facility Copay per Day? ☐Use Separate OOP Maximum for Medical and Drug Spending? ☐Indicate if Plan Meets CSR Standard? ☒

Desired Metal Tier: Silver

HSA/HRA Options	Narrow/Network Options
HSA/HRA Employer Contribution? <input type="checkbox"/>	Blended Network/POS Plan? <input type="checkbox"/>
Annual Contribution Amount:	1st Tier Utilization:
	2nd Tier Utilization:

Tier 1 Plan Benefit Design		
Medical	Drug	Combined
Deductible (\$)		\$1,400.00
Coinurance (% Insurer's Cost Share)		80.00%
OOP Maximum (\$)		\$3,400.00
OOP Maximum if Separate (\$)		

Tier 2 Plan Benefit Design		
Medical	Drug	Combined

[Click Here for Important Instructions](#)

Type of Benefit	Tier 1				Tier 2			
	Subject to Deductible?	Subject to Coinsurance?	Coinurance, if different	Copay, if separate	Subject to Deductible?	Subject to Coinsurance?	Coinurance, if different	Copay, if separate
Medical	<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All			<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All		
Emergency Room Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
All Inpatient Hospital Services (inc. M-HSA)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	90%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Specialist Visit	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Mental/Behavioral Health and Substance Abuse Disorder Outpatient Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	90%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Imaging (CT/PET Scans, MRIs)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Rehabilitative Speech Therapy	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Rehabilitative Occupational and Rehabilitative Physical Therapy	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Preventive Care/Screening/Immunization	<input type="checkbox"/>	<input type="checkbox"/>	100%	\$0.00	<input type="checkbox"/>	<input type="checkbox"/>	100%	\$0.00
Laboratory Outpatient and Professional Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
X-rays and Diagnostic Imaging	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Skilled Nursing Facility	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Outpatient Surgery Physician/Surgical Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Drugs	<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All			<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All		
Generics	<input checked="" type="checkbox"/>	<input type="checkbox"/>		\$10.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Preferred Brand Drugs	<input checked="" type="checkbox"/>	<input type="checkbox"/>		\$40.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Non-Preferred Brand Drugs	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	50%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Specialty Drugs (i.e. high-cost)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	50%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	<input type="checkbox"/>
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	<input type="checkbox"/>
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	<input type="checkbox"/>
# Visits (1-10):	
Begin Primary Care Deductible/Coinurance After a Set Number of Copays?	<input type="checkbox"/>
# Copays (1-10):	

Output

Calculate

Status/Error Messages:

Actual Value:

Metal Tier:

Error: Result is outside of +/- 1 percent de minimis variation for CSRs.

74.4%

4. Silver HDHP CSR – 73%, Continued

HDHP Model – Normalization:

Inputs				
Enter values in the blue cells below, choose a setting option from the drop down box, and press 'Calculate'.				
Press 'Calculate' anytime an input or dropdown selection is changed.				
Note that the model run-time will vary based on the computers processing speed.				
A message box will appear to indicate that the calculations are done.				
		Medical	Rx	
Individual Deductible		1,400	1,400	
Family Deductible		2,800	2,800	
Individual Out-of-Pocket		3,400	3,400	
Family Out-of-Pocket		6,800	6,800	
Coinsurance (50% or Less)		18%	33%	
Costs that Accumulate				
		OOP		Deductible /
		Deductible	Medical	Rx
		OOP Type		
Settings	Medical & Rx	Medical & Rx	Medical & Rx	Stacked <input type="button" value="v"/>
<div style="border: 1px solid black; border-radius: 10px; background-color: #4f81bd; color: white; padding: 10px 40px; display: inline-block; margin: 10px 0;">Calculate</div>				
Results				
		Medical	Rx	Total
Allowed PMPM		\$218.41	\$54.60	\$273.01
Plan PMPM		\$169.34	\$33.82	\$203.16
Actuarial Value		77.5%	61.9%	74.4%

4. Silver HDHP CSR – 73%, Continued

HDHP Model – Adjusted Actuarial Value:

Inputs				
Enter values in the blue cells below, choose a setting option from the drop down box, and press 'Calculate'.				
Press 'Calculate' anytime an input or dropdown selection is changed.				
Note that the model run-time will vary based on the computers processing speed.				
A message box will appear to indicate that the calculations are done.				
		Medical	Rx	
Individual Deductible		1,400	1,250	
Family Deductible		2,800	2,500	
Individual Out-of-Pocket		3,400	1,250	
Family Out-of-Pocket		6,800	2,500	
Coinsurance (50% or Less)		18%	33%	
Costs that Accumulate				
		OOP		Deductible /
		Deductible	Medical	Rx
		Deductible /		
		OOP Type		
Settings	Medical & Rx	Medical & Rx	Rx Only	Aggregate <input type="button" value="v"/>
<div>Calculate</div>				
Results				
		Medical	Rx	Total
Allowed PMPM		\$218.41	\$54.60	\$273.01
Plan PMPM		\$162.25	\$36.51	\$198.75
Actuarial Value		74.3%	66.9%	72.8%

Non-standard CSR 94% plans

We have revised the non-standard CSR 94% plans to have out-of-pocket limits of \$1000. With this change these plans can now be valued using the AV calculator directly.

- For Non-Standard Co-Payment Plan (280.319) - CSR (94%) the AV calculator produces a value of 93.4%.
- For Non-Standard CDHP Plan (280.320) - CSR (94%) the AV calculator produces a value of 93.8%.

Screen prints of the AV calculator inputs and results appear below.

Non-Standard Co-Payment Plan (280.319) - CSR (94%):

User Inputs for Plan Parameters

- Use Integrated Medical and Drug Deductible? ☒
 Apply Inpatient Copay per Day? ☐
 Apply Skilled Nursing Facility Copay per Day? ☐
 Use Separate OOP Maximum for Medical and Drug Spending? ☐
 Indicate if Plan Meets CSR Standard? ☒
 Desired Metal Tier: Platinum

HSA/HRA Options	Narrow Network Options
HSA/HRA Employer Contribution? <input type="checkbox"/>	Blended Network/POS Plan? <input type="checkbox"/>
Annual Contribution Amount:	1st Tier Utilization: 2nd Tier Utilization:

Tier 1 Plan Benefit Design		
Medical	Drug	Combined
		\$0.00
		100.00%
		\$1,000.00

Tier 2 Plan Benefit Design		
Medical	Drug	Combined

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Type of Benefit	Tier 1				Tier 2			
	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate
Medical	<input type="checkbox"/> All	<input type="checkbox"/> All			<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All		
Emergency Room Services	<input type="checkbox"/>	<input type="checkbox"/>		\$250.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
All Inpatient Hospital Services (inc. MHSA)	<input type="checkbox"/>	<input type="checkbox"/>		\$0.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	<input type="checkbox"/>	<input type="checkbox"/>		\$15.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Specialist Visit	<input type="checkbox"/>	<input type="checkbox"/>		\$35.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Mental/Behavioral Health and Substance Abuse Disorder Outpatient Services	<input type="checkbox"/>	<input type="checkbox"/>		\$15.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Imaging (CT/PET Scans, MRIs)	<input type="checkbox"/>	<input type="checkbox"/>		\$0.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Rehabilitative Speech Therapy	<input type="checkbox"/>	<input type="checkbox"/>		\$35.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Rehabilitative Occupational and Rehabilitative Physical Therapy	<input type="checkbox"/>	<input type="checkbox"/>		\$35.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Preventive Care/Screening/Immunization	<input type="checkbox"/>	<input type="checkbox"/>	100%	\$0.00	<input type="checkbox"/>	<input type="checkbox"/>	100%	\$0.00
Laboratory Outpatient and Professional Services	<input type="checkbox"/>	<input type="checkbox"/>		\$0.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
X-rays and Diagnostic Imaging	<input type="checkbox"/>	<input type="checkbox"/>		\$0.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Skilled Nursing Facility	<input type="checkbox"/>	<input type="checkbox"/>		\$0.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	<input type="checkbox"/>	<input type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Outpatient Surgery Physician/Surgical Services	<input type="checkbox"/>	<input type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Drugs	<input type="checkbox"/> All	<input type="checkbox"/> All			<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All		
Generics	<input type="checkbox"/>	<input type="checkbox"/>		\$5.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Preferred Brand Drugs	<input type="checkbox"/>	<input type="checkbox"/>	60%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Non-Preferred Brand Drugs	<input type="checkbox"/>	<input type="checkbox"/>	40%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Specialty Drugs (i.e. high-cost)	<input type="checkbox"/>	<input type="checkbox"/>	40%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	<input type="checkbox"/>
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	<input type="checkbox"/>
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	<input checked="" type="checkbox"/>
# Visits (1-10):	3
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	<input type="checkbox"/>
# Copays (1-10):	

Output

Status/Error Messages:

Actuarial Value:

Metal Tier:

CSR Level of 94% (100-150% FPL), Calculation Successful.

93.4%

Platinum

Non-Standard CDHP Plan (280.320) - CSR (94%) :

User Inputs for Plan Parameters

- ☒ Use Integrated Medical and Drug Deductible?
☐ Apply Inpatient Copay per Day?
☐ Apply Skilled Nursing Facility Copay per Day?
☐ Use Separate OOP Maximum for Medical and Drug Spending?
☒ Indicate if Plan Meets CSR Standard?
 Desired Metal Tier: Platinum

HSA/HRA Options	Narrow Network Options
HSA/HRA Employer Contribution? <input type="checkbox"/>	Blended Network/POS Plan? <input type="checkbox"/>
Annual Contribution Amount:	1st Tier Utilization: 2nd Tier Utilization:

Tier 1 Plan Benefit Design		
Medical	Drug	Combined
		\$0.00
		100.00%
		\$1,000.00

Tier 2 Plan Benefit Design		
Medical	Drug	Combined

[Click Here for Important Instructions](#)

Type of Benefit	Tier 1				Tier 2			
	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate
Medical	<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All			<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All		
Emergency Room Services	<input type="checkbox"/>	<input type="checkbox"/>		\$200.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
All Inpatient Hospital Services (inc. MHSA)	<input type="checkbox"/>	<input type="checkbox"/>		\$0.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	<input type="checkbox"/>	<input type="checkbox"/>		\$5.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Specialist Visit	<input type="checkbox"/>	<input type="checkbox"/>		\$25.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Mental/Behavioral Health and Substance Abuse Disorder Outpatient Services	<input type="checkbox"/>	<input type="checkbox"/>		\$5.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Imaging (CT/PET Scans, MRIs)	<input type="checkbox"/>	<input type="checkbox"/>		\$0.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Rehabilitative Speech Therapy	<input type="checkbox"/>	<input type="checkbox"/>		\$25.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Rehabilitative Occupational and Rehabilitative Physical Therapy	<input type="checkbox"/>	<input type="checkbox"/>		\$25.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Preventive Care/Screening/Immunization	<input type="checkbox"/>	<input type="checkbox"/>	100%	\$0.00	<input type="checkbox"/>	<input type="checkbox"/>	100%	\$0.00
Laboratory Outpatient and Professional Services	<input type="checkbox"/>	<input type="checkbox"/>		\$0.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
X-rays and Diagnostic Imaging	<input type="checkbox"/>	<input type="checkbox"/>		\$0.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Skilled Nursing Facility	<input type="checkbox"/>	<input type="checkbox"/>		\$0.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	<input type="checkbox"/>	<input type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Outpatient Surgery Physician/Surgical Services	<input type="checkbox"/>	<input type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Drugs	<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All			<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All		
Generics	<input type="checkbox"/>	<input type="checkbox"/>		\$5.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Preferred Brand Drugs	<input type="checkbox"/>	<input type="checkbox"/>	60%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Non-Preferred Brand Drugs	<input type="checkbox"/>	<input type="checkbox"/>	40%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Specialty Drugs (i.e. high-cost)	<input type="checkbox"/>	<input type="checkbox"/>	40%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	<input type="checkbox"/>
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	<input type="checkbox"/>
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	<input type="checkbox"/>
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	<input type="checkbox"/>
# Copays (1-10):	

Output

Status/Error Messages: Calculate
 Actuarial Value:
 Metal Tier:

CSR Level of 94% (100-150% FPL), Calculation Successful.
 93.8%
 Platinum

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5. Silver HDHP CSR – 77%

AV from AVC = 78.6%

Adjusted AV = 76.8%

AVC Screen Shot:

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible? ☒

Apply Inpatient Copay per Day? ☐

Apply Skilled Nursing Facility Copay per Day? ☐

Use Separate OOP Maximum for Medical and Drug Spending? ☐

Indicate if Plan Meets CSR Standard? ☐

Desired Metal Tier Gold

HSA/HRA Options	Narrow Network Options
HSA/HRA Employer Contribution? <input type="checkbox"/>	Blended Network/POS Plan? <input type="checkbox"/>
Annual Contribution Amount:	1st Tier Utilization:
	2nd Tier Utilization:

Tier 1 Plan Benefit Design		
Medical	Drug	Combined
Deductible (\$)		\$1,250.00
Coinsurance (% , Insurer's Cost Share)		80.00%
OOP Maximum (\$)		\$2,500.00
OOP Maximum if Separate (\$)		

Tier 2 Plan Benefit Design		
Medical	Drug	Combined

[Click Here for Important Instructions](#)

Type of Benefit	Tier 1				Tier 2			
	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate
Medical	<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All			<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All		
Emergency Room Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
All Inpatient Hospital Services (inc. MHSA)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	90%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Specialist Visit	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Mental/Behavioral Health and Substance Abuse Disorder Outpatient Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	90%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Imaging (CT/PET Scans, MRIs)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Rehabilitative Speech Therapy	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Rehabilitative Occupational and Rehabilitative Physical Therapy	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Preventive Care/Screening/Immunization	<input type="checkbox"/>	<input type="checkbox"/>	100%	\$0.00	<input type="checkbox"/>	<input type="checkbox"/>	100%	\$0.00
Laboratory Outpatient and Professional Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
X-rays and Diagnostic Imaging	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Skilled Nursing Facility	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Outpatient Surgery Physician/Surgical Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Drugs	<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All			<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All		
Generics	<input checked="" type="checkbox"/>	<input type="checkbox"/>		\$5.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Preferred Brand Drugs	<input checked="" type="checkbox"/>	<input type="checkbox"/>		\$30.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Non-Preferred Brand Drugs	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	50%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Specialty Drugs (i.e. high-cost)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	50%		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	<input type="checkbox"/>
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	<input type="checkbox"/>
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	<input type="checkbox"/>
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	<input type="checkbox"/>
# Copays (1-10):	

Output

Status/Error Messages:

Actuarial Value:

Metal Tier:


Calculation Successful.

78.6%

Gold

5. Silver HDHP CSR – 77%, Continued

HDHP Model – Normalization:

Inputs				
<i>Enter values in the blue cells below, choose a setting option from the drop down box, and press 'Calculate'.</i>				
<i>Press 'Calculate' anytime an input or dropdown selection is changed.</i>				
<i>Note that the model run-time will vary based on the computers processing speed.</i>				
<i>A message box will appear to indicate that the calculations are done.</i>				
		Medical	Rx	
Individual Deductible		1,250	1,250	
Family Deductible		2,500	2,500	
Individual Out-of-Pocket		2,500	2,500	
Family Out-of-Pocket		5,000	5,000	
Coinsurance (50% or Less)		18%	25%	
Costs that Accumulate				
			OOP	Deductible /
		Deductible	Medical	Rx
				OOP Type
Settings	Medical & Rx	Medical & Rx	Medical & Rx	Stacked 
<div style="border: 1px solid black; background-color: #4f81bd; color: white; padding: 10px; display: inline-block; border-radius: 10px;"> Calculate </div>				
Results				
		Medical	Rx	Total
Allowed PMPM		\$237.61	\$59.40	\$297.01
Plan PMPM		\$192.32	\$41.15	\$233.47
Actuarial Value		80.9%	69.3%	78.6%

5. Silver HDHP CSR – 77%, Continued

HDHP Model – Adjusted Actuarial Value:

Inputs				
Enter values in the blue cells below, choose a setting option from the drop down box, and press 'Calculate'.				
Press 'Calculate' anytime an input or dropdown selection is changed.				
Note that the model run-time will vary based on the computers processing speed.				
A message box will appear to indicate that the calculations are done.				
		Medical	Rx	
Individual Deductible		1,250	1,250	
Family Deductible		2,500	2,500	
Individual Out-of-Pocket		2,500	1,250	
Family Out-of-Pocket		5,000	2,500	
Coinsurance (50% or Less)		18%	25%	
Costs that Accumulate				
			OOP	Deductible /
		Deductible	Medical	Rx
				OOP Type
Settings	Medical & Rx	Medical & Rx	Rx Only	Aggregate <input type="button" value="v"/>
<div>Calculate</div>				
Results				
		Medical	Rx	Total
Allowed PMPM		\$237.61	\$59.40	\$297.01
Plan PMPM		\$186.32	\$41.75	\$228.08
Actuarial Value		78.4%	70.3%	76.8%

6. Silver HDHP CSR – 87%

AV from AVC = 87.7%

Adjusted AV = 87.2%

AVC Screen Shot:

User Inputs for Plan ParametersUse Integrated Medical and Drug Deductible? ☒Apply Inpatient Copay per Day? ☐Apply Skilled Nursing Facility Copay per Day? ☐Use Separate OOP Maximum for Medical and Drug Spending? ☐Indicate if Plan Meets CSR Standard? ☒Desired Metal Tier: Gold

HSA/HRA Options	Narrow Network Options
HSA/HRA Employer Contribution? <input type="checkbox"/>	Blended Network/POS Plan? <input type="checkbox"/>
Annual Contribution Amount:	1st Tier Utilization:
	2nd Tier Utilization:

Tier 1 Plan Benefit Design		
Medical	Drug	Combined
Deductible (\$)		\$1,000.00
Coinsurance (% Insurer's Cost Share)		100.00%
OOP Maximum (\$)		\$1,000.00
OOP Maximum if Separate (\$)		

Tier 2 Plan Benefit Design		
Medical	Drug	Combined

[Click Here for Important Instructions](#)

Type of Benefit	Tier 1				Tier 2			
	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate
Medical	<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All			<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All		
Emergency Room Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
All Inpatient Hospital Services (inc. M-HA)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Specialist Visit	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Mental/Behavioral Health and Substance Abuse Disorder Outpatient Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Imaging (CT/PET Scans, MRIs)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Rehabilitative Speech Therapy	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Rehabilitative Occupational and Rehabilitative Physical Therapy	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Preventive Care/Screening/Immunization	<input type="checkbox"/>	<input type="checkbox"/>	100%	\$0.00	<input type="checkbox"/>	<input type="checkbox"/>	100%	\$0.00
Laboratory Outpatient and Professional Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
X-rays and Diagnostic Imaging	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Skilled Nursing Facility	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Outpatient Surgery Physician/Surgical Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Drugs	<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All			<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All		
Generics	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Preferred Brand Drugs	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Non-Preferred Brand Drugs	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Specialty Drugs (i.e. high-cost)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments? <input type="checkbox"/>
Specialty Rx Coinsurance Maximum:
Set a Maximum Number of Days for Charging an IP Copay? <input type="checkbox"/>
Days (1-10):
Begin Primary Care Cost-Sharing After a Set Number of Visits? <input type="checkbox"/>
Visits (1-10):
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays? <input type="checkbox"/>
Copays (1-10):

Output

Calculate

Status/Error Messages:

Actuarial Value:

Metal Tier:

Calculation resolved without matching metal tiers.

87.7%

Platinum

6. Silver HDHP CSR – 87%, Continued

HDHP Model – Normalization:

Inputs				
<i>Enter values in the blue cells below, choose a setting option from the drop down box, and press 'Calculate'.</i>				
<i>Press 'Calculate' anytime an input or dropdown selection is changed.</i>				
<i>Note that the model run-time will vary based on the computers processing speed.</i>				
<i>A message box will appear to indicate that the calculations are done.</i>				
		Medical	Rx	
Individual Deductible		1,000	1,000	
Family Deductible		2,000	2,000	
Individual Out-of-Pocket		1,000	1,000	
Family Out-of-Pocket		2,000	2,000	
Coinsurance (50% or Less)		0%	0%	
Costs that Accumulate				
			OOP	Deductible /
		Deductible	Medical	Rx
				OOP Type
Settings	Medical & Rx	Medical & Rx	Medical & Rx	Stacked <input type="button" value="v"/>
<div style="border: 1px solid black; background-color: #4f81bd; color: white; padding: 10px; display: inline-block; margin: 10px;"> Calculate </div>				
Results				
		Medical	Rx	Total
Allowed PMPM		\$256.81	\$64.20	\$321.01
Plan PMPM		\$228.28	\$53.31	\$281.58
Actuarial Value		88.9%	83.0%	87.7%

6. Silver HDHP CSR – 87%, Continued

HDHP Model – Adjusted Actuarial Value:

Inputs				
Enter values in the blue cells below, choose a setting option from the drop down box, and press 'Calculate'.				
Press 'Calculate' anytime an input or dropdown selection is changed.				
Note that the model run-time will vary based on the computers processing speed.				
A message box will appear to indicate that the calculations are done.				
		Medical	Rx	
Individual Deductible		1,000	1,000	
Family Deductible		2,000	2,000	
Individual Out-of-Pocket		1,000	1,000	
Family Out-of-Pocket		2,000	2,000	
Coinurance (50% or Less)		0%	0%	
Costs that Accumulate				
			OOP	
		Deductible	Medical	Rx
				Deductible / OOP Type
Settings	Medical & Rx	Medical & Rx	Rx Only	Aggregate <input type="button" value="v"/>
<div style="border: 1px solid black; background-color: #4f81bd; color: white; padding: 10px; display: inline-block; margin: 10px;">Calculate</div>				
Results				
		Medical	Rx	Total
Allowed PMPM		\$256.81	\$64.20	\$321.01
Plan PMPM		\$226.90	\$53.08	\$279.99
Actuarial Value		88.4%	82.7%	87.2%

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7. Silver HDHP CSR – 94%

AV from AVC = 93.9%

Adjusted AV = 93.8%

AVC Screen Shot:

User Inputs for Plan Parameters

- Use Integrated Medical and Drug Deductible? ☒
Apply Inpatient Copay per Day? ☐
Apply Skilled Nursing Facility Copay per Day? ☐
Use Separate OOP Maximum for Medical and Drug Spending? ☐
Indicate if Plan Meets CSR Standard? ☒
Desired Metal Tier Platinum

HSA/HRA Options	Narrow Network Options
HSA/HRA Employer Contribution? <input type="checkbox"/>	Blended Network/POS Plan? <input type="checkbox"/>
Annual Contribution Amount:	1st Tier Utilization: 2nd Tier Utilization:

	Tier 1 Plan Benefit Design		
	Medical	Drug	Combined
Deductible (\$)			\$450.00
Coinurance (% , Insurer's Cost Share)			100.00%
OOP Maximum (\$)			\$450.00
OOP Maximum if Separate (\$)			

	Tier 2 Plan Benefit Design		
	Medical	Drug	Combined

[Click Here for Important Instructions](#)

Type of Benefit	Tier 1				Tier 2			
	Subject to Deductible?	Subject to Coinsurance?	Coinurance, if different	Copay, if separate	Subject to Deductible?	Subject to Coinsurance?	Coinurance, if different	Copay, if separate
Medical	<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All			<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All		
Emergency Room Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
All Inpatient Hospital Services (inc. MHSA)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Specialist Visit	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Mental/Behavioral Health and Substance Abuse Disorder	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Outpatient Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Imaging (CT/PET Scans, MRIs)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Rehabilitative Speech Therapy	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Rehabilitative Occupational and Rehabilitative Physical Therapy	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Preventive Care/Screening/Immunization	<input type="checkbox"/>	<input type="checkbox"/>	100%	\$0.00	<input type="checkbox"/>	<input type="checkbox"/>	100%	\$0.00
Laboratory Outpatient and Professional Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
X-rays and Diagnostic Imaging	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Skilled Nursing Facility	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Outpatient Surgery Physician/Surgical Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Drugs	<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All			<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All		
Generics	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Preferred Brand Drugs	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Non-Preferred Brand Drugs	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Specialty Drugs (i.e. high-cost)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	<input type="checkbox"/>
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	<input type="checkbox"/>
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	<input type="checkbox"/>
# Visits (1-10):	
Begin Primary Care Deductible/Coinurance After a Set Number of Copays?	<input type="checkbox"/>
# Copays (1-10):	

Output

Status/Error Messages:

Actuarial Value:

Metal Tier:

CSR Level of 94% (100-150% FPL), Calculation Successful.

93.9%

Platinum

7. Silver HDHP CSR – 94%, Continued

HDHP Model – Normalization:

Inputs				
Enter values in the blue cells below, choose a setting option from the drop down box, and press 'Calculate'.				
Press 'Calculate' anytime an input or dropdown selection is changed.				
Note that the model run-time will vary based on the computers processing speed.				
A message box will appear to indicate that the calculations are done.				
		Medical	Rx	
Individual Deductible		450	450	
Family Deductible		900	900	
Individual Out-of-Pocket		450	450	
Family Out-of-Pocket		900	900	
Coinsurance (50% or Less)		0%	0%	
Costs that Accumulate				
			OOP	Deductible /
		Deductible	Medical	Rx
				OOP Type
Settings	Medical & Rx	Medical & Rx	Medical & Rx	Stacked <input type="button" value="v"/>
<div>Calculate</div>				
Results				
		Medical	Rx	Total
Allowed PMPM		\$264.01	\$66.00	\$330.01
Plan PMPM		\$249.44	\$60.28	\$309.73
Actuarial Value		94.5%	91.3%	93.9%

7. Silver HDHP CSR – 94%, Continued

HDHP Model – Adjusted Actuarial Value:

Inputs				
<i>Enter values in the blue cells below, choose a setting option from the drop down box, and press 'Calculate'.</i>				
<i>Press 'Calculate' anytime an input or dropdown selection is changed.</i>				
<i>Note that the model run-time will vary based on the computers processing speed.</i>				
<i>A message box will appear to indicate that the calculations are done.</i>				
		Medical	Rx	
Individual Deductible		450	450	
Family Deductible		900	900	
Individual Out-of-Pocket		450	450	
Family Out-of-Pocket		900	900	
Coinsurance (50% or Less)		0%	0%	
Costs that Accumulate				
			OOP	Deductible /
		Deductible	Medical	Rx
				OOP Type
Settings	Medical & Rx	Medical & Rx	Rx Only	Aggregate <input type="button" value="v"/>
<div style="border: 1px solid black; background-color: #4f81bd; color: white; padding: 10px; display: inline-block; margin: 10px;"> Calculate </div>				
Results				
		Medical	Rx	Total
Allowed PMPM		\$264.01	\$66.00	\$330.01
Plan PMPM		\$249.35	\$60.26	\$309.61
Actuarial Value		94.4%	91.3%	93.8%

Limitations of the Federal Actuarial Calculator

On February 20, 2013, HHS released the final Rules on the Actuarial Value and the final Actuarial Value Calculator. The final calculator is known to have some limitations with respect to certain benefit designs. The most important limitations in the Final Actuarial Value Calculator for the Non-Standard plans are:

- The final AV calculator does not support the Rx OOPM Limit as dictated by Act 171
- The final AV calculator does not support copayments after the deductible
- The final AV calculator does not support Wellness (Safe Harbor) pharmacy drugs outside the deductible on HSA compliant plans.
- The final AV calculator does not support certain MH/SA visits at no cost share before the deductible
- The final AV calculator does not support a copayment on Outpatient Surgery

BCBSVT AV Model Methodology¹

BCBSVT uses a re-adjudication model to assess the impact of various deductible types, implicit Rx limits, and out-of-pocket maximums to calculate the paid-to-allowed ratio for different benefit designs. The re-adjudication is performed using the same set of claims for all benefit plans. Claims data was taken from BCBSVT's data warehouse. The starting point of the analysis is allowed charges as determined by the BCBSVT claims adjudication system. The claims data includes benefit codes that enable us to identify the services and benefit structures (copays, deductibles, and coinsurance). Although the model is similar to that used for our Benefit Relativity factors it did not include the benefit level adjustments.

The in-network claims from Insured Group and Self Funded business are included in the analysis; Individual lines of business claims have been excluded. Only plans with both medical and pharmacy benefits are included since both medical and pharmacy data is included.

The claims were categorized according to how benefits are paid, and one record was generated for each member/ service date.

For all products, claims for preventive mandated benefits were kept separate and the model assumes they are paid in a manner consistent with the mandates.

A total of 368,039 member months were used for this analysis.

The model has the flexibility to apply either coinsurance or copayments after the deductible is met.

Comparison of BCBSVT Actuarial Value Calculator with the Federal Actuarial Value Calculator

For each Metal tier and CSR tier, we observed a correlation between the output of the Federal Actuarial Value Calculator for various integrated deductible plans and BCBSVT model's paid-to-

¹ This methodology is consistent with that described in the approved Q2 2012 Benefit Relativity Factor Filing (SERFF Tracking # BCVT-127786182, VFN 57179).

allowed ratio for those plans. We then used this correlation to estimate the value the Federal AV calculator would have produced had it been able to calculate an AV value for each non-standard plan. This provided the method to adjust the Federal AV calculator result for those benefits that it could value to provide a metallic AV value for each plan.

The tables below show the relationship between the BCBSVT Model and the Federal Actuarial Value Calculator. All the benefits used to fit the regression lines have integrated medical and drug for both the deductible and the OOPM. These benefits designs are only for In-Network claims. For each Metal tier and CSR tier, we provided a regression line that is used to calculate the adjustment needed for items not supported by the Federal AV Calculator.

The adjustment is calculated as:

{the difference between the actuarial value estimate from the BCBSVT model for the non-standard plan - the actuarial value estimate from the BCBSVT model for the corresponding plan having only the features supported by the AV calculator} times {the parameter 'm' from the regression function}.

Actuarial Opinion

The purpose of this calculation is to comply with the requirements of 45 CFR 156.135(b)(3). This calculation is not intended to be used for other purposes.

I am a Fellow of the Society of Actuaries, a Member of the American Academy of Actuaries.

In my opinion, the calculations of the adjustments for plan design features deviating substantially from the parameters of the AV calculator to the AV's identified by the calculator were developed in accordance with generally accepted actuarial principals and methodologies and are appropriate for the purpose.

Vincent Mace

Vincent G. Mace, FSA, MAAA

March 22, 2013

Bronze Designs

Deductible	Coinsurance	OOPM	BCBSVT Model AV	AV Calculator
\$5,000	50%	\$6,500	60.78%	58.02%
\$4,500	50%	\$6,500	61.13%	58.43%
\$4,000	50%	\$6,500	61.59%	58.93%
\$3,500	50%	\$6,500	62.17%	59.52%
\$3,000	50%	\$6,500	62.90%	60.25%
\$2,500	50%	\$6,500	63.80%	61.31%
\$2,250	50%	\$6,500	64.32%	61.91%
\$5,000	50%	\$6,250	61.42%	58.66%
\$4,500	50%	\$6,250	61.73%	59.07%
\$4,000	50%	\$6,250	62.16%	59.57%

Linear Regression Results

Regression Output		
m	b	r^2
1.09041	-0.08256	99.89%

Plan	BCBSVT Model Value
Non-Standard CDHP Plan (280.320)- Bronze	64.090%

Plan	Items supported by the AV Calculator				
	Deductible	Coinsurance	OOPM	AV Calculator Output	BCBSVT Model Output
Non-Standard CDHP Plan (280.320)- Bronze	\$5,000	50%	\$6,250	58.660%	61.420%

Plan	BCBSVT Model Output					
	For plan supported by AV calculator	For plan described in column 1	Difference	m	adjustment	Estimated AV calculator value
Non-Standard CDHP Plan (280.320)- Bronze	61.420%	64.090%	2.670%	1.09041	+2.911%	61.6%

Items not supported by the AV Calculator:

- Rx OOPM limit of \$1,250
- Wellness (Safe Harbor) pharmacy drugs outside of the deductible

Silver Designs

Deductible	Coinsurance	OOPM	BCBSVT Model AV	AV Calculator
\$2,000	80%	\$6,350	70.93%	68.59%
\$2,000	80%	\$6,250	71.00%	68.67%
\$2,000	80%	\$6,150	71.08%	68.76%
\$2,000	80%	\$5,500	71.64%	69.32%
\$2,000	80%	\$5,000	72.17%	69.89%
\$1,750	80%	\$6,250	72.25%	70.10%
\$2,000	80%	\$4,500	72.80%	70.52%
\$1,750	80%	\$5,000	73.34%	71.25%
\$1,750	80%	\$4,500	73.93%	71.82%
\$1,500	80%	\$5,850	73.90%	71.96%

Linear Regression Results

Regression Output		
m	b	r^2
1.10067	-0.09496	99.72%

Plan	BCBSVT Model Value
Non-Standard Co-Payment Plan (280.319)- Silver	73.002%
Non-Standard CDHP Plan (280.320) -Silver	71.330%

Plan	Items supported by the AV Calculator				
	Deductible	Coinsurance*	OOPM	AV Calculator Output	BCBSVT Model output
Non-Standard Co-Payment Plan (280.319)- Silver	\$2,000	80%	\$6,250	68.674%	71.001%
Non-Standard CDHP Plan (280.320) -Silver	\$2,000	80%	\$6,250	68.674%	71.001%

Plan	BCBSVT Model Output					
	For plan supported by AV calculator	For plan described in column 1	Difference	m	adjustment	Estimated AV calculator value
Non-Standard Co-Payment Plan (280.319)- Silver	71.001%	73.002%	2.001%	1.10067	+2.202%	70.9%
Non-Standard CDHP Plan (280.320) -Silver	71.001%	71.330%	0.329%	1.10067	+0.362%	69.0%

* Since the Federal AV Calculator does not support 100% coinsurance after the deductible if the OOPM is higher than the deductible, we used 80% (Insurer's cost share) as a place holder. We chose 80% since it is our most popular design.

Items not supported by the AV Calculator:

- Rx OOPM limit of \$1,250 on all plans
- Wellness (Safe Harbor) pharmacy drugs outside of the deductible on Non-Standard CDHP Plan
- Three Mental Health office visit at no cost share before the deductible on the Non-Standard Co-payment plan
- Copayment applied after the deductible on all Non-Standard plans
- Copayment on Outpatient Surgery on all Non-Standard Plans

Gold Designs

Deductible	Coinsurance	OOPM	BCBSVT AV	AVC
\$1,250	80%	\$5,250	75.9%	74.3%
\$1,250	80%	\$5,000	76.1%	74.5%
\$1,250	80%	\$4,750	76.3%	74.8%
\$1,250	80%	\$4,500	76.6%	75.0%
\$1,250	80%	\$4,250	76.9%	75.3%
\$1,225	80%	\$4,250	77.0%	75.5%
\$1,200	80%	\$4,250	77.2%	75.7%
\$1,150	80%	\$4,250	77.5%	76.0%
\$1,100	80%	\$4,250	77.8%	76.4%
\$1,000	80%	\$4,250	78.4%	77.1%

Linear Regression Results

Regression Output		
m	b	r ²
1.09073	-0.08498	99.98%

Plan	Items supported by the AV Calculator				
	Deductible	Coinsurance*	OOPM	AV Calculator Output	BCBSVT Model output
Non-Standard Co- Payment Plan (280.319)- Gold	\$1,250	80%	\$4,250	75.338%	76.876%
Non-Standard CDHP Plan (280.320) - Gold	\$1,250	80%	\$4,250	75.338%	76.876%

* Since the Federal AV Calculator does not support 100% coinsurance after the deductible if the OOPM is higher than the deductible, we used 80% (Insurer's cost share) as a place holder. We chose 80% since it is our most popular design.

Plan	BCBSVT Model Output					
	For plan supported by AV calculator	For plan described in column 1	Difference	m	adjustment	Estimated AV calculator value
Non-Standard Co-Payment Plan (280.319)- Gold	76.876%	81.100%	2.001%	1.09073	+5.495%	80.8%
Non-Standard CDHP Plan (280.320) - Gold	76.876%	79.500%	0.329%	1.09073	+3.413%	78.8%

Items not supported by the AV Calculator:

- Rx OOPM limit of \$1,250 on all plans
- Wellness (Safe Harbor) pharmacy drugs outside of the deductible on Non-Standard CDHP Plan
- Three Mental Health office visit at no cost share before the deductible on the Non-Standard Co-payment plan
- Copayment applied after the deductible on all Non-Standard plans
- Copayment on Outpatient Surgery on all Non-Standard Plans

Cost Sharing Reduction (73%) Designs

Deductible	Coinsurance	OOPM	BCBSVT AV	AVC
\$1,750	20%	\$5,200	73.1%	71.0%
\$1,700	20%	\$5,200	73.4%	71.3%
\$1,650	20%	\$5,200	73.6%	71.6%
\$1,600	20%	\$5,200	73.9%	71.9%
\$1,550	20%	\$5,200	74.2%	72.2%
\$1,500	20%	\$5,200	74.4%	72.5%
\$1,450	20%	\$5,200	74.7%	72.8%
\$1,350	20%	\$5,200	75.3%	73.5%
\$1,300	20%	\$5,200	75.6%	73.8%
\$1,250	20%	\$5,200	75.9%	74.1%

Regression Output		
m	b	r^2
1.13491	-0.11993	99.996%

Plan	Items supported by the AV Calculator				
	Deductible	Coinsurance*	OOPM	AV Calculator Output	BCBSVT Model output
Non-Standard Co-Payment Plan (280.319) - CSR (73%)	\$1,550	80%	\$5,200	72.183%	74.173%
Non-Standard CDHP Plan (280.320) - CSR (73%)	\$1,350	80%	\$5,200	73.469%	75.298%

* Since the Federal AV Calculator does not support 100% coinsurance after the deductible if the OOPM is higher than the deductible, we used 80% (Insurer's cost share) as a place holder. We chose 80% since it is our most popular design.

Plan	BCBSVT Model Output					
	For plan supported by AV calculator	For plan described in column 1	Difference	m	adjustment	Estimated AV calculator value
Non-Standard Co-Payment Plan (280.319) - CSR (73%)	74.173%	75.500%	1.327%	1.13491	+1.506%	73.7%
Non-Standard CDHP Plan (280.320) - CSR (73%)	75.298%	74.800%	-0.498%	1.13491	+0.565%	72.9%

Items not supported by the AV Calculator:

- Rx OOPM limit of \$1,250 on all plans
- Wellness (Safe Harbor) pharmacy drugs outside of the deductible on Non-Standard CDHP Plan
- Three Mental Health office visit at no cost share before the deductible on the Non-Standard Co-payment plan
- Copayment applied after the deductible on all Non-Standard plans
- Copayment on Outpatient Surgery on all Non-Standard Plans

Cost Sharing Reduction (87%) Designs

Deductible	Coinsurance	OOPM	BCBSVT AV	AVC
\$400	20%	\$2,250	85.9%	84.9%
\$350	20%	\$2,250	86.3%	85.3%
\$300	20%	\$2,250	86.8%	85.8%
\$250	20%	\$2,250	87.2%	86.2%
\$200	20%	\$2,250	87.7%	86.7%
\$150	20%	\$2,250	88.2%	87.2%
\$100	20%	\$2,250	88.7%	87.7%
\$50	20%	\$2,250	89.3%	88.3%
\$0	20%	\$2,100	90.2%	89.1%
\$0	20%	\$2,000	90.4%	89.3%

Regression Output		
m	b	r ²
0.97752	0.00944	99.987%

Plan	Items supported by the AV Calculator				
	Deductible	Coinsurance*	OOPM	AV Calculator Output	BCBSVT Model output
Non-Standard Co- Payment Plan (280.319) - CSR (87%)	\$200	80%	\$2,250	86.701%	87.718%
Non-Standard CDHP Plan (280.320) - CSR (87%)	\$50	80%	\$2,250	88.257%	89.303%

* Since the Federal AV Calculator does not support 100% coinsurance after the deductible if the OOPM is higher than the deductible, we used 80% (Insurer's cost share) as a place holder. We chose 80% since it is our most popular design.

Plan	BCBSVT Model Output					
	For plan supported by AV calculator	For plan described in column 1	Difference	m	adjustment	Estimated AV calculator value
Non-Standard Co-Payment Plan (280.319) - CSR (87%)	87.718%	87.508%	-0.210%	0.97752	-0.205%	86.496%
Non-Standard CDHP Plan (280.320) - CSR (87%)	89.303%	87.475%	-1.828%	0.97752	-1.787%	86.470%

Items not supported by the AV Calculator:

- Rx OOPM limit of \$1,250 on all plans
- Wellness (Safe Harbor) pharmacy drugs outside of the deductible on Non-Standard CDHP Plan
- Three Mental Health office visit at no cost share before the deductible on the Non-Standard Co-payment plan
- Copayment applied after the deductible on all Non-Standard plans
- Copayment on Outpatient Surgery on all Non-Standard Plans

Appendix: AV Calculator Bases for Adjustment

Non-Standard CDHP Plan (280.320)- Bronze :

User Inputs for Plan Parameters

- Use Integrated Medical and Drug Deductible? ☒
Apply Inpatient Copay per Day? ☐
Apply Skilled Nursing Facility Copay per Day? ☐
Use Separate OOP Maximum for Medical and Drug Spending? ☐
Indicate if Plan Meets CSR Standard? ☐
Desired Metal Tier Bronze

HSA/HRA Options		Narrow Network Options	
HSA/HRA Employer Contribution?	<input type="checkbox"/>	Blended Network/POS Plan?	<input type="checkbox"/>
Annual Contribution Amount:		1st Tier Utilization:	
		2nd Tier Utilization:	

	Tier 1 Plan Benefit Design			Tier 2 Plan Benefit Design		
	Medical	Drug	Combined	Medical	Drug	Combined
Deductible (\$)			\$5,000.00			
Coinurance (% , Insurer's Cost Share)			50.00%			
OOP Maximum (\$)			\$6,250.00			
OOP Maximum if Separate (\$)						

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Type of Benefit	Tier 1				Tier 2			
	Subject to Deductible?	Subject to Coinsurance?	Coinurance, if different	Copay, if separate	Subject to Deductible?	Subject to Coinsurance?	Coinurance, if different	Copay, if separate
Medical	<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All			<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All		
Emergency Room Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
All Inpatient Hospital Services (inc. MHSA)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Specialist Visit	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Mental/Behavioral Health and Substance Abuse Disorder	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Outpatient Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Imaging (CT/PET Scans, MRIs)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Rehabilitative Speech Therapy	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Rehabilitative Occupational and Rehabilitative Physical Therapy	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Preventive Care/Screening/Immunization	<input type="checkbox"/>	<input type="checkbox"/>	100%	\$0.00	<input type="checkbox"/>	<input type="checkbox"/>	100%	\$0.00
Laboratory Outpatient and Professional Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
X-rays and Diagnostic Imaging	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Skilled Nursing Facility	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Outpatient Surgery Physician/Surgical Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Drugs	<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All			<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All		
Generics	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Preferred Brand Drugs	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Non-Preferred Brand Drugs	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Specialty Drugs (i.e. high-cost)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	<input type="checkbox"/>
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	<input type="checkbox"/>
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	<input type="checkbox"/>
# Visits (1-10):	
Begin Primary Care Deductible/Coinurance After a Set Number of Copays?	<input type="checkbox"/>
# Copays (1-10):	

Output

Calculate	Calculation Successful.
Status/Error Messages:	58.7%
Actuarial Value:	Bronze
Metal Tier:	

Non-Standard Co-Payment Plan (280.319)- Silver, Non-Standard CDHP Plan (280.320) -Silver :

User Inputs for Plan Parameters

- ☒ Use Integrated Medical and Drug Deductible?
☐ Apply Inpatient Copay per Day?
☐ Apply Skilled Nursing Facility Copay per Day?
☐ Use Separate OOP Maximum for Medical and Drug Spending?
☐ Indicate if Plan Meets CSR Standard?
☐ Desired Metal Tier

Silver

HSA/HRA Options	Narrow Network Options
HSA/HRA Employer Contribution? <input type="checkbox"/>	Blended Network/POS Plan? <input type="checkbox"/>
Annual Contribution Amount:	1st Tier Utilization: 2nd Tier Utilization:

- Deductible (\$)
 Coinsurance (% , Insurer's Cost Share)
 OOP Maximum (\$)
 OOP Maximum if Separate (\$)

Tier 1 Plan Benefit Design		
Medical	Drug	Combined
		\$2,000.00
		80.00%
		\$6,250.00

Tier 2 Plan Benefit Design		
Medical	Drug	Combined

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Type of Benefit	Tier 1				Tier 2			
	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate
Medical	<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All			<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All		
Emergency Room Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
All Inpatient Hospital Services (inc. MHSA)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Specialist Visit	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Mental/Behavioral Health and Substance Abuse Disorder Outpatient Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Imaging (CT/PET Scans, MRIs)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Rehabilitative Speech Therapy	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Rehabilitative Occupational and Rehabilitative Physical Therapy	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Preventive Care/Screening/Immunization	<input type="checkbox"/>	<input type="checkbox"/>	100%	\$0.00	<input type="checkbox"/>	<input type="checkbox"/>	100%	\$0.00
Laboratory Outpatient and Professional Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
X-rays and Diagnostic Imaging	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Skilled Nursing Facility	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Outpatient Surgery Physician/Surgical Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Drugs	<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All			<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All		
Generics	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Preferred Brand Drugs	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Non-Preferred Brand Drugs	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Specialty Drugs (i.e. high-cost)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	<input type="checkbox"/>
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	<input type="checkbox"/>
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	<input type="checkbox"/>
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	<input type="checkbox"/>
# Copays (1-10):	

Output

Calculate

Status/Error Messages:

Actuarial Value:

Metal Tier:

Calculation Successful.

68.7%

Silver

Non-Standard Co-Payment Plan (280.319)- Gold, Non-Standard CDHP Plan (280.320) - Gold :

User Inputs for Plan Parameters

- ☒ Use Integrated Medical and Drug Deductible?
☐ Apply Inpatient Copay per Day?
☐ Apply Skilled Nursing Facility Copay per Day?
☐ Use Separate OOP Maximum for Medical and Drug Spending?
☐ Indicate if Plan Meets CSR Standard?
 Desired Metal Tier

HSA/HRA Options	Narrow Network Options
HSA/HRA Employer Contribution? <input type="text" value=""/>	Blended Network/POS Plan? <input type="text" value=""/>
Annual Contribution Amount:	1st Tier Utilization: 2nd Tier Utilization:

Tier 1 Plan Benefit Design			Tier 2 Plan Benefit Design		
Medical	Drug	Combined	Medical	Drug	Combined
Deductible (\$)		\$1,250.00			
Coinsurance (% , Insurer's Cost Share)		80.00%			
OOP Maximum (\$)		\$4,250.00			
OOP Maximum if Separate (\$)					

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Type of Benefit	Tier 1				Tier 2			
	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate
Medical	<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All			<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All		
Emergency Room Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
All Inpatient Hospital Services (inc. MHSA)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Specialist Visit	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Mental/Behavioral Health and Substance Abuse Disorder Outpatient Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Imaging (CT/PET Scans, MRIs)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Rehabilitative Speech Therapy	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Rehabilitative Occupational and Rehabilitative Physical Therapy	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Preventive Care/Screening/Immunization	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	100%	\$0.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	100%	\$0.00
Laboratory Outpatient and Professional Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
X-rays and Diagnostic Imaging	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Skilled Nursing Facility	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Outpatient Surgery Physician/Surgical Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Drugs	<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All			<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All		
Generics	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Preferred Brand Drugs	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Non-Preferred Brand Drugs	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Specialty Drugs (i.e. high-cost)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	<input type="checkbox"/>
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	<input type="checkbox"/>
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	<input type="checkbox"/>
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	<input type="checkbox"/>
# Copays (1-10):	

Output

[Calculate](#)

Status/Error Messages:

Actuarial Value:

Metal Tier:

Error: Result is outside of +/- 2 percent de minimis variation.

75.3%

Non-Standard Co-Payment Plan (280.319) - CSR (73%):

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible?☒

Apply Inpatient Copay per Day?☐

Apply Skilled Nursing Facility Copay per Day?☐

Use Separate OOP Maximum for Medical and Drug Spending?☐

Indicate if Plan Meets CSR Standard?☒

Desired Metal Tier

Silver

Deductible (\$)

Coinurance (% , Insurer's Cost Share)

OOP Maximum (\$)

OOP Maximum if Separate (\$)

HSA/HRA Options

HSA/HRA Employer Contribution?☐

Annual Contribution Amount:

Narrow Network Options

Blended Network/POS Plan?☐

1st Tier Utilization:

2nd Tier Utilization:

Tier 1 Plan Benefit Design

Medical	Drug	Combined
		\$1,550.00
		80.00%
		\$5,200.00

Tier 2 Plan Benefit Design

Medical	Drug	Combined

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Type of Benefit	Tier 1				Tier 2			
	Subject to Deductible?	Subject to Coinsurance?	Coinurance, if different	Copay, if separate	Subject to Deductible?	Subject to Coinsurance?	Coinurance, if different	Copay, if separate
Medical	<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All			<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All		
Emergency Room Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
All Inpatient Hospital Services (inc. MHSA)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Specialist Visit	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Mental/Behavioral Health and Substance Abuse Disorder Outpatient Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Imaging (CT/PET Scans, MRIs)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Rehabilitative Speech Therapy	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Rehabilitative Occupational and Rehabilitative Physical Therapy	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Preventive Care/Screening/Immunization	<input type="checkbox"/>	<input type="checkbox"/>	100%	\$0.00	<input type="checkbox"/>	<input type="checkbox"/>	100%	\$0.00
Laboratory Outpatient and Professional Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
X-rays and Diagnostic Imaging	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Skilled Nursing Facility	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Outpatient Surgery Physician/Surgical Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Drugs	<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All			<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All		
Generics	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Preferred Brand Drugs	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Non-Preferred Brand Drugs	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Specialty Drugs (i.e. high-cost)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?☐

Specialty Rx Coinsurance Maximum:

Set a Maximum Number of Days for Charging an IP Copay?☐

Days (1-10):

Begin Primary Care Cost-Sharing After a Set Number of Visits?☐

Visits (1-10):

Begin Primary Care Deductible/Coinurance After a Set Number of Copays?☐

Copays (1-10):

Output

Calculate

Status/Error Messages:

Actuarial Value:

Metal Tier:

CSR Level of 73% (200-250% FPL), Calculation Successful.

72.2%

Silver

Non-Standard CDHP Plan (280.320) - CSR (73%) :

User Inputs for Plan Parameters

Use Integrated Medical and Drug Deductible?☒

Apply Inpatient Copay per Day?☐

Apply Skilled Nursing Facility Copay per Day?☐

Use Separate OOP Maximum for Medical and Drug Spending?☐

Indicate if Plan Meets CSR Standard?☒

Desired Metal Tier

Silver

HSA/HRA Options

HSA/HRA Employer Contribution?

Annual Contribution Amount:

Narrow Network Options

Blended Network/POS Plan?

1st Tier Utilization:

2nd Tier Utilization:

Tier 1 Plan Benefit Design

Medical	Drug	Combined
		\$1,350.00
		80.00%
		\$5,200.00

Tier 2 Plan Benefit Design

Medical	Drug	Combined

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Type of Benefit	Tier 1				Tier 2			
	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate
Medical	<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All			<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All		
Emergency Room Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
All Inpatient Hospital Services (inc. MHSA)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Specialist Visit	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Mental/Behavioral Health and Substance Abuse Disorder Outpatient Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Imaging (CT/PET Scans, MRIs)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Rehabilitative Speech Therapy	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Rehabilitative Occupational and Rehabilitative Physical Therapy	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Preventive Care/Screening/Immunization	<input type="checkbox"/>	<input type="checkbox"/>	100%	\$0.00	<input type="checkbox"/>	<input type="checkbox"/>	100%	\$0.00
Laboratory Outpatient and Professional Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
X-rays and Diagnostic Imaging	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Skilled Nursing Facility	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Outpatient Surgery Physician/Surgical Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Drugs	<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All			<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All		
Generics	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Preferred Brand Drugs	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Non-Preferred Brand Drugs	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Specialty Drugs (i.e. high-cost)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?☐

Specialty Rx Coinsurance Maximum:

Set a Maximum Number of Days for Charging an IP Copay?☐

Days (1-10):

Begin Primary Care Cost-Sharing After a Set Number of Visits?☐

Visits (1-10):

Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?☐

Copays (1-10):

Output

Calculate

Status/Error Messages:

Actuarial Value:

Metal Tier:

CSR Level of 73% (200-250% FPL), Calculation Successful.

73.5%

Silver

Non-Standard Co-Payment Plan (280.319) - CSR (87%):

User Inputs for Plan Parameters

- ☒ Use Integrated Medical and Drug Deductible?
☐ Apply Inpatient Copay per Day?
☐ Apply Skilled Nursing Facility Copay per Day?
☐ Use Separate OOP Maximum for Medical and Drug Spending?
☒ Indicate if Plan Meets CSR Standard?
 Desired Metal Tier: Gold

HSA/HRA Options	Narrow Network Options
HSA/HRA Employer Contribution? <input type="checkbox"/>	Blended Network/POS Plan? <input type="checkbox"/>
Annual Contribution Amount:	1st Tier Utilization:
	2nd Tier Utilization:

Tier 1 Plan Benefit Design		
Medical	Drug	Combined
Deductible (\$)		\$200.00
Coinsurance (% , Insurer's Cost Share)		80.00%
OOP Maximum (\$)		\$2,250.00
OOP Maximum if Separate (\$)		

Tier 2 Plan Benefit Design		
Medical	Drug	Combined

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Type of Benefit	Tier 1				Tier 2			
	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate
Medical	<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All			<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All		
Emergency Room Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
All Inpatient Hospital Services (inc. MHSA)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Specialist Visit	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Mental/Behavioral Health and Substance Abuse Disorder	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Outpatient Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Imaging (CT/PET Scans, MRIs)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Rehabilitative Speech Therapy	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Rehabilitative Occupational and Rehabilitative Physical Therapy	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Preventive Care/Screening/Immunization	<input type="checkbox"/>	<input type="checkbox"/>	100%	\$0.00	<input type="checkbox"/>	<input type="checkbox"/>	100%	\$0.00
Laboratory Outpatient and Professional Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
X-rays and Diagnostic Imaging	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Skilled Nursing Facility	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Outpatient Surgery Physician/Surgical Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Drugs	<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All			<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All		
Generics	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Preferred Brand Drugs	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Non-Preferred Brand Drugs	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Specialty Drugs (i.e. high-cost)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	<input type="checkbox"/>
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	<input type="checkbox"/>
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	<input type="checkbox"/>
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	<input type="checkbox"/>
# Copays (1-10):	

Output

	<input type="button" value="Calculate"/>	
Status/Error Messages:		Calculation resolved without matching metal tiers.
Actuarial Value:		86.7%
Metal Tier:		Platinum

Non-Standard CDHP Plan (280.320) - CSR (87%) :

User Inputs for Plan Parameters

- ☒ Use Integrated Medical and Drug Deductible?
☐ Apply Inpatient Copay per Day?
☐ Apply Skilled Nursing Facility Copay per Day?
☐ Use Separate OOP Maximum for Medical and Drug Spending?
☒ Indicate if Plan Meets CSR Standard?
 Desired Metal Tier: Gold

HSA/HRA Options	Narrow Network Options
HSA/HRA Employer Contribution? <input type="checkbox"/>	Blended Network/POS Plan? <input type="checkbox"/>
Annual Contribution Amount:	1st Tier Utilization:
	2nd Tier Utilization:

	Tier 1 Plan Benefit Design			Tier 2 Plan Benefit Design		
	Medical	Drug	Combined	Medical	Drug	Combined
Deductible (\$)			\$50.00			
Coinsurance (% , Insurer's Cost Share)			80.00%			
OOP Maximum (\$)			\$2,250.00			
OOP Maximum if Separate (\$)						

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Type of Benefit	Tier 1				Tier 2			
	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate	Subject to Deductible?	Subject to Coinsurance?	Coinsurance, if different	Copay, if separate
Medical	<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All			<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All		
Emergency Room Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
All Inpatient Hospital Services (inc. MHSA)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Primary Care Visit to Treat an Injury or Illness (exc. Preventive, and X-rays)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Specialist Visit	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Mental/Behavioral Health and Substance Abuse Disorder	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Outpatient Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Imaging (CT/PET Scans, MRIs)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Rehabilitative Speech Therapy	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Rehabilitative Occupational and Rehabilitative Physical Therapy	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Preventive Care/Screening/Immunization	<input type="checkbox"/>	<input type="checkbox"/>	100%	\$0.00	<input type="checkbox"/>	<input type="checkbox"/>	100%	\$0.00
Laboratory Outpatient and Professional Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
X-rays and Diagnostic Imaging	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Skilled Nursing Facility	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Outpatient Facility Fee (e.g., Ambulatory Surgery Center)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Outpatient Surgery Physician/Surgical Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Drugs	<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All			<input checked="" type="checkbox"/> All	<input checked="" type="checkbox"/> All		
Generics	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Preferred Brand Drugs	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Non-Preferred Brand Drugs	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Specialty Drugs (i.e. high-cost)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		

Options for Additional Benefit Design Limits:

Set a Maximum on Specialty Rx Coinsurance Payments?	<input type="checkbox"/>
Specialty Rx Coinsurance Maximum:	
Set a Maximum Number of Days for Charging an IP Copay?	<input type="checkbox"/>
# Days (1-10):	
Begin Primary Care Cost-Sharing After a Set Number of Visits?	<input type="checkbox"/>
# Visits (1-10):	
Begin Primary Care Deductible/Coinsurance After a Set Number of Copays?	<input type="checkbox"/>
# Copays (1-10):	

Output

Calculate

Status/Error Messages:

Actuarial Value:

Metal Tier:

Error: Result is outside of +/- 1 percent de minimis variation for CSRs.

88.3%